

Congressional Digest

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VOL. II.

OCTOBER, 1922

No. 1

MUSCLE SHOALS

WHERE IT IS WHAT IT IS
WHAT SHALL BE DONE WITH IT

THE FORD OFFER DISCUSSED PRO AND CON
BY SENATE, HOUSE,
ORGANIZATIONS AND EXPERTS

NEW PUBLIC LAWS
MADE IN SECOND SESSION, SIXTY-SEVENTH CONGRESS

BEGINNING: "NOTES ON THE CONSTITUTION"
A SERIES OF TWELVE ARTICLES ON GOVERNMENT STRUCTURE
BY WM. TYLER PAGE

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Tentative Steering Committee Program

This program represents important pending legislation scheduled for action by the Steering Committees of the Senate and House. See page 26 for classified list of all public bills and resolutions passed during 2nd session.

TWO sessions of the 67th Congress were completed when the Senate and House adjourned sine die at 2 o'clock on September 22, 1922. The third and last session will convene December 4, 1922, to expire March 3, 1923, unless President Harding calls a special session immediately following the elections in November.

Eleven annual appropriation bills which provide the running expenses of the Government for the next fiscal year will constitute the important business of the third session. In addition there remains the remnants of the Steering Committee Program of the 2nd session. These include Merchant Marine Legislation, Reclassification of Government Employees, and Reorganization of the Government Departments, and in the Senate the Liberian Loan Act and the Dyer Anti-Lynching Act.

In view of the heavy program and the brief period of the 3rd session it appears that a special session will be required. Whether this session should precede or follow the regular third session has given rise to a division of opinion among party leaders. Advocates of a special session in November immediately following the elections believe the work could be completed by March 3 and so avoid a session in the late Spring which would probably drag into another undesirable summer session. Those opposing the November session are pleading for the period of rest between elections and the opening of the 3rd session, a matter of about two weeks if the President waits until after elections to call the special session and gives the customary notice to the Congress.

Merchant Marine

In the event of a session in November the Ship Subsidy bill will be given right of way. The President's recommendation for building up the American Merchant Marine by a Government subsidy, is embodied in the Greene-Jones bills (H. R. 12021, S. 3127). The Greene Bill was favorably reported to the House for action on June 16 by the House Committee on Merchant Marine and Fisheries. The Senate bill is before the Senate Committee on Commerce.

Reorganization of Government Departments

Another administration project which is expected to find a place in the program for the third session is the plan to reorganize the Executive Departments of the Government. A

Joint Committee on Reorganization of the Government Departments, composed of three Senators, three Representatives, and an appointee of the President, was established last year by act of Congress. A preliminary report was subsequently made to the President, and the matter apparently rested there. From time to time it was made public that the report was having the consideration of the Cabinet Members whose departments were affected by the proposed changes, and on October 27 the President informed the Chairman of the Joint Committee that he would submit his recommendations to the Committee in time to permit the Committee to hold public hearings prior to drafting a final bill for presentation to Congress in the next session.

Reclassification of Government Employees

One of the Steering Committee bills left over from the second session which will have early consideration in the third session is the Sterling-Lehlbach Reclassification Bill H. R. 8928. The bill passed the House on December 15, 1921, but failed to reach the Senate calendar. The Senate Committee on Civil Service favorably reported the bill to the Senate on February 6, but because of the salary schedules involved the bill was further referred to the Senate Committee on Appropriations where it failed to be reported because of lack of time on the part of the committee to give it proper attention. The sub-committee having it in charge expects to report the bill early in the next session.

Liberian Loan

The Liberian Loan Act which failed to reach a vote in the closing hours of the second session was made the unfinished business of the Senate and will have first consideration when Congress convenes. The resolution H. J. Res. 270, by Representative Fordney, which provides for a loan of \$5,000,000 to Liberia, passed the House on May 10, 1922, and was reported to the Senate on May 31, 1922.

Anti-Lynching

The Dyer Anti-Lynching bill, H. R. 13, was also scheduled for action in the Senate, but failed to reach a vote. It is on the Senate list next in order after the Liberian Loan is disposed of, unless a special session is called, in which case it will relinquish its place to the Merchant Marine bill.

Where Muscle Shoals is Located

MUSCLE SHOALS, situated on the Tennessee River in Northern Alabama owes its existence to a curious combination of circumstances.

The Tennessee river flows both north and south, and divides the state of Tennessee into three parts, each of which is unlike the others.

The northeast winds from the gulf strike the western slopes of the Alleghenies where their moisture becomes evident in a region of unusually heavy rainfall. There is one portion of the southeastern Appalachian Mountains where the annual rainfall is the greatest in the United States, excepting only a small area along the Pacific Coast in Oregon and Washington.

A short distance above Knoxville, Tennessee the Holston and French Broad rivers unite to form the Tennessee which receiving the waters of the Clinch, Powell, Hiwassee and other smaller streams, flows southeast through a gap in the Cumberland Plateau at Lookout Mountain, turns southwest into Alabama and then due north flowing into the Ohio at



Paducah, where at its mouth it is equal to or greater than the Ohio, although at this point the flow of the Ohio includes the Cumberland river also.

The high plateaus of western Virginia, North and South Carolina and Tennessee meet the lower lying coastal plain in a short steep slope which geologists call a "fault line." Where the rivers cross this line there are a series of rapids and small

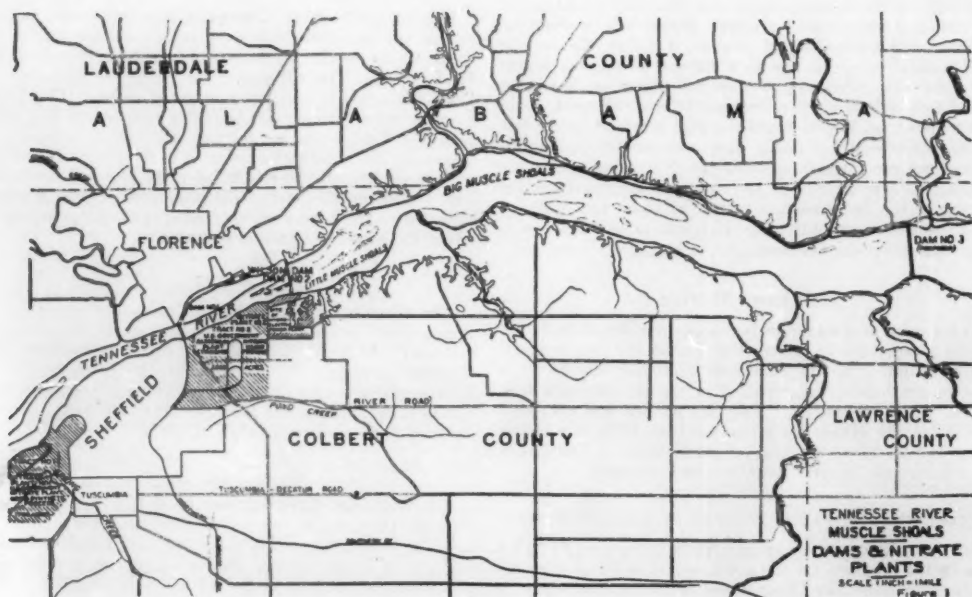
waterfalls and it is in this section of the coastal rivers that the water-power is developed.

This fault line curves parallel to the coast until in Northern Alabama it runs nearly east and west.

Where the broad Tennessee crosses the fault line there is no Niagara Falls, but a long series of rapids having a fall equal to four-fifths of the height of Niagara and spread out in scenic beauty over a distance of about 38 miles.

Here at the foot of the rapids and at the head of navigation are the "tri-cities" of Florence, Sheffield and Tusculumbia.

Detailed View of Muscle Shoals Section



Muscle Shoals Glossary

An Explanation of Names and Terms Used in Discussion of Muscle Shoals Project

Acknowledgment is made of the able assistance of the U. S. Engineer Officers, Col. Wm. J. Barden, Col. John K. Clement and Major Stuart C. Godfrey, in the preparation of the definitions given below.—*Ed. Note.*

A

Air Nitrates Corporation.—A corporation formed during the war as a subsidiary of the American Cyanamid Company for the purpose of manufacturing nitrates by their patented processes. Nitrate Plant No. 2 was built by this corporation.

American Cyanamid Company.—The first company to develop in America the cyanamid process of nitrogen fixation. Their principal plant is at Niagara.

Ammonium Nitrate.—A chemical compound (HN_4NO_3) similar to Chile saltpeter; the form in which the nitrogen from the air is finally fixed. The principal use is for high explosives. It may also be used as a fertilizer, though it has certain characteristics objectionable to the farmer.

Alabama Power Company.—An Alabama corporation, which owns and controls several large power projects in the State of Alabama. Its largest water-power development is at Lock No. 12 on the Coosa River.

B

Big Muscle Shoals.—See Muscle Shoals.

C

Chile Saltpeter.—Nitrate of soda mined from natural deposits in Chile. It is largely used in the fertilizer industry as a source of nitrogen in mixed fertilizers and is used by farmers, unmixed, as a top dressing.

Cyanamid.—A chemical compound (C_2N_2) also called lime-nitrogen, formed by the combination of calcium carbide and nitrogen in small cylindrical ovens. The form in which the nitrogen of the air is first fixed. Can be used as a fertilizer but in limited quantities.

D

Dam No. 1.—A small navigation structure about 300 feet long and 15 feet high to be erected about three miles below Dam No. 2 between Patton Island and the north bank of the Tennessee river. Estimated cost \$1,400,000. No construction work done.

Dam No. 2 (Wilson Dam).—The first and largest of the dams proposed at Muscle Shoals. About 4,500 feet long and 100 feet high. Will contain 1,250,000 cubic yards of concrete. Will develop at favorable stages over half a million horse power. Comprises a lock, and provides a navigable pool reaching up-stream for 14 miles. Now one-third completed; completely blocks Tennessee River. Being constructed by the Corps of Engineers. Total amount expended to date, about \$17,000,000. Total estimated cost \$45,000,000.

Dam No. 3 (Site and future plans for).—A dam designed for both power and navigation, approximately same length as Dam No. 2 but about 40 feet high. It will create a navigable pool about 65 miles long. No construction work done.

E

Elk River Shoal.—See Muscle Shoals.

F

Florence, Ala.—The county seat of Lauderdale county; on the north bank of the Tennessee River near the lower end of Muscle Shoals.

G

General Chemical Co.—One of the largest chemical manufacturing companies in America, whose process for the manufacture of nitrates was used at Nitrate Plant No. 1.

Gorgas Steam Plant.—Near coal mines on the Warrior River about 90 miles from Muscle Shoals. Contains two 30,000 K. W. power units, one belonging to the Alabama Power Co., the other added during the war and belonging to the Government. Entire plant operated by Alabama Power Company and power sold therefrom to Government on rental basis.

H

Hales' Bar.—Thirty-five miles below Chattanooga, the site of a dam across the Tennessee for power and navigating purposes. Constructed by private interests at a cost of about \$11,000,000.

Haber Process.—A process of nitrogen fixation involving the direct union of nitrogen and hydrogen at high temperatures and under great pressure. Much used in Germany but only recently perfected in this country. Nitrate Plant No. 1 was designed to use this process.

H. P.—Horsepower.

J

Jackson Island.—An island in the Muscle Shoals section of the Tennessee River, just where it is spanned by Dam No. 2.

K

K. W.—Kilowatt. For converting kilowatts into horsepower, the following formula is approximately correct: 3 kilowatts=4 horse-power.

L

Little Muscle Shoals.—See Muscle Shoals.

M

Muscle Shoals Association.—A public association organized in 1916 by the people of Nashville, Chattanooga, Memphis, Birmingham, the Tri-cities and other cities and towns for the purpose of advocating the development of Muscle Shoals.

Muscle Shoals.—A stretch of swift rapids in the Tennessee River, some 37 miles long, extending from Brown's Island west to Florence, Ala. The section covered by the immediate Muscle Shoals power project is the lower 17 miles of this stretch. The drop for this last 17 miles is about 100 feet, the total drop in 37 miles being 134 feet. Elk River Shoal, Big Muscle Shoals, and Little Muscle Shoals are all sections of the Muscle Shoals rapids.

Muscle Shoals Canal.—A navigation project begun in 1875 and partially completed in 1890, and abandoned under the present plan. The canal is in two sections, one on the north bank of the river, 14½ miles long, overcoming Big Muscle Shoals, and one, eight miles distant, on the south bank 2½ miles long, overcoming Elk River Shoals. A third section was contemplated to overcome Little Muscle Shoals, but was not built. Contemplated to provide a five-foot navigable channel; this is not wholly realized at most stages of the river.

Muscle Shoals Hydro-electric Power Co.—A subsidiary company of the Alabama Power Company, which, in 1913, made an offer to the Government to develop Muscle Shoals.

The offer was reported on favorably by the Corps of Engineers in March 1916, but action on it was suspended because of the passage of the National Defense Act of that year.

N

National Defense Act.—An act passed by Congress on June 3, 1916, conferring on the President large powers to provide for National Defense. Section 124 of this Act dealt specifically with the manufacture of nitrates for explosives and appropriated \$20,000,000 for the purpose. It was under this Act that the Government took complete control of the Muscle Shoals Waterpower project, the object being to use the power primarily for the manufacture of nitrates.

Nitrate.—Chemically, a nitrate is a salt formed when a given metal or base is reacted upon with nitric acid. The nitrate which Nitrate Plant No. 2 was designed to produce is ammonium nitrate but the common form used in agriculture is sodium nitrate or nitrate of soda often called saltpeter. The word "nitrates" is frequently used in a vague or loose way to indicate the nitrogen-bearing products of a nitrate plant, such as ammonium sulphate which, of course, is not a nitrate salt at all, but is simply one form of "fixed" or combined nitrogen.

Nitrate of Soda.—See Chile Saltpeter.

Nitrogen.—In the atmosphere, an invisible, inert gas uniting with other substances only at high temperatures. It is indispensable as a constituent of explosives and is one of the three forms of plant food in commercial fertilizers. To secure nitrogen from the air it must be "fixed" by some process such as the cyanamid or Haber process. See Ammonia.

Nitrate Plant No. 1.—The first of two nitrate plants built by the Government. Constructed at a cost of \$12,888,000; erected under an agreement with the General Chemical Company for the use of its process, the direct synthetic-ammonia (Haber) process. Designed to produce 22,000 tons of ammonium nitrate per annum. Process not perfected. Estimated cost of changes necessary for commercially successful operation, between \$3,000,000 and \$4,000,000.

Nitrate Plant No. 2.—Second nitrate plant built by the Government. Constructed by the Air Nitrates Corporation of the American Cyanamid Company. Total cost, including steam plant and Waco Quarry, \$67,555,000. Capacity 110,000 tons of ammonium nitrate per year. Utilizes cyanamid process of fixing nitrogen. Was constructed in one year, and was operated successfully during a test run of several weeks. First nitrate produced in November 1918. Now in a stand-by condition. Both nitrate plants erected under supervision of Ordnance Corps.

P

Phosphoric Acid.—One of the three forms of plant food in commercial fertilizers. The common form is ortho phosphoric acid (H_3PO_4). It is obtained from phosphate rock, in a form available to the plant known as acid phosphate by treating the rock with sulphuric acid. Pure phosphoric acid can be produced in the electric furnace by volatilization, the acid being recovered in liquid form in a Cottrell precipitator.

Potash.—Strictly speaking potash is the oxide of the metal-iod potassium (K_2O). It is marketed in a number of forms such as kainit, muriate (or chloride) of potash or sulphate of potash. It is one of the three essential elements of plant food and is frequently an ingredient of mixed fertilizers.

Primary Power.—Power which can be depended upon practically all the year round. The primary horse-power from

the Wilson Dam, considered simply as a water-power proposition, is about 100,000 H. P.

R

Riverton.—A town on the Colbert Shoals Canal, about 30 miles below Florence. The site of the only lock between Muscle Shoals and the mouth of the Tennessee River.

S

Sheffield, Ala.—The county seat of Colbert County on the south bank of the Tennessee River, near the power end of Muscle Shoals. Situated on the railroad, it is midway between Tusculumbia and Florence. On the outskirts of Sheffield are situated the Government reservations on which the nitrate and power plants are located.

Steam Plant at Nitrate Plant No. 2.—This plant, which cost about \$12,000,000, is a thoroughly modern plant with steam turbines of 80,000 total H. P. capacity. Particularly useful as a supplement to the Wilson Dam during low water, thereby increasing the primary power.

Secondary Power.—As opposed to primary power, secondary power can be counted on for a fraction of the year only. It is customary to speak of "ten-months secondary," "eight-months secondary," etc., to designate the fraction of the year during which such power is available.

Storage Reservoirs.—Reservoirs on the headwaters of a stream are sometimes practicable, in order to supplement the low-water flow and thus increase primary horse-power.

T

Tennessee River.—Sixth among the rivers of the United States. Its headwaters unite near Knoxville, and from there the river flows southwesterly into Alabama, then bends northwest, crosses Tennessee and Kentucky and flows into the Ohio at Paducah—a total length of 652 miles. The adopted project for its development calls for a 6-foot channel below Chattanooga, and a 3-foot depth between Chattanooga and Knoxville.

Tennessee River Improvement Association.—A public association of the people of the Tennessee valley, organized in 1896 for the purpose of securing the improvement of the Tennessee river. Several associations for this purpose have been formed since 1828.

Tusculumbia, Ala.—The county seat of Colbert county, adjoining the town of Sheffield on the south.

Transmission Line.—In this connection, refers to the 110,000 volt circuit which connects the Gorgas steam plant of the Alabama Power Company's system to Muscle Shoals. This line is 90 miles long, and belongs to the Government, but is erected on land belonging to the Alabama Power Company.

Tri-Cities.—The towns of Florence, Sheffield, and Tusculumbia, lying in close proximity and with many common interests.

W

Waco Quarry.—A limestone quarry used to furnish limestone in connection with Nitrate Plant No. 2; situated 20 miles from Sheffield, 5 miles south of Russellville Franklin Co., Ala. Embraces an area of 460 acres, equipped with machinery having a crushing capacity of 2,000 tons of limestone per day. Cost, about \$1,300,000.

Wilson Dam.—Same as Dam No. 2; called "Wilson Dam" in honor of President Wilson.

Chronological History of Muscle Shoals Developments

THE improvement of the Muscle Shoals section of the Tennessee river was begun May 23, 1828, when Congress granted a donation of 400,000 acres of land in the Tennessee valley to the State of Alabama, making the State government the agent to dispose of the lands and make the improvement at Muscle Shoals with the proceeds which amounted to only \$600,000. A canal was begun in 1831 and opened to traffic in 1836 but it was so inadequate that it was never of much service and soon fell into ruin. In 1867 the Federal Government took hold and Congress, in the River and Harbor Act of 1871, authorized a survey by army engineers for another canal. The work on this was begun in 1875 and completed in 1890, at a total cost of \$3,191,726.50. This is the present obsolete Muscle Shoals Canal, which was closed to navigation when the construction of Wilson Dam was begun in 1918.

As early as 1868 the improvement of the Shoals by locks and dams had been urged to secure slack water navigation and hydro-electric power and on March 3, 1899, Congress passed the first and only act authorizing the development of Muscle Shoals for navigation and power. The grantee, the "Muscle Shoals Power Company," never availed itself of the privileges accorded in the act.

By 1907 interest in water-power development had increased and in that year Congress ordered a survey of the Muscle Shoals section for the combined purposes of navigation and water-power development. Two years later, in 1909, Congress ordered the entire Tennessee river surveyed with a view to deciding upon a definite policy for permanent navigation development. This survey was completed in 1910. In 1911 Congress directed a special survey of the Muscle Shoals section for both navigation and power.

In 1913 the Alabama Power Company, through its subsidiary, the Muscle Shoals Hydro-Electric Power Co., having made careful engineering studies of its own, offered to develop the Muscle Shoals section for water-power purposes, in co-operation with the government. In 1914 the army engineers completed their survey of the Muscle Shoals for navigation and water-power purposes, as ordered by Congress in 1911, and also considered the offer of the Muscle Shoals Hydro-Electric Power Co., upon which they made a favorable report. Action on this was held up, however, pending further surveys and engineering investigations, borings, etc., which were made by the government and required \$150,000 and a year's time. These studies were completed in 1916 and again the army engineers approved the offer of the Muscle Shoals Hydro-Electric Power Co., in March 1916.

In June, 1916, however, the board of engineers for rivers and harbors reported that since the National Defense Act providing for the establishment of a government nitrate plant had become a law, they, therefore, recommended that action on the proposed contract with the Muscle Shoals Hydro-Electric Power Company be suspended till it could be determined whether this site would be chosen for the nitrate plant.

Section 124 of the National Defense Act authorized the construction of nitrate plants by the Government and appropriated \$20,000,000 for the purpose. In July, 1916, the Muscle Shoals Association, a public organization, was formed at Nashville, Tenn., to work for the development of Muscle Shoals as a power, navigation and fertilizer project. This organization has since cooperated with the Tennessee River Improvement Association, which was organized in 1896 to work for the improvement of the entire Tennessee river for navigation purposes.

In the spring of 1916 President Wilson appointed a committee of chemical experts, including officers of the army

and navy and civilians, known as the Nitric Acid Committee, with instructions to report on the best method of manufacturing nitrates. This committee reported on January 27, 1917, recommending the immediate development of water-power for the manufacture of nitrates.

On March 16, 1917, hearings were begun before an inter-departmental board, composed of the Secretaries of War, Agriculture and the Interior, to determine the location of the Government nitrate plants. On April 6, 1917, the United States declared war and on May 11 a second committee, known as the President's Nitrate Supply Committee, reported in favor of using the Haber process for making nitrates, and recommended that the plants be located in southwestern Virginia and that \$3,000,000 be spent in an experimental program.

On September 20, 1917, General Crozier, chief of ordnance, following the report of Col. J. W. Joyce, U. S. A., recommended Chattanooga as the site for the location of Nitrate Plant No. 1. On September 24, 1917, President Wilson, upon the request of farm organizations, removed the proposed Nitrate Plant No. 1 from near Pulaski, Virginia, where a site had been chosen, to Muscle Shoals. In November, 1917, the construction of Nitrate Plant No. 2 was begun at Muscle Shoals, and in December arrangements were made with the Alabama Power Company to build a Government unit at its Gorgas plant for power at Muscle Shoals.

President Wilson, on February 25, 1918, authorized the construction of Dam No. 2, setting aside for this purpose \$12,000,000 of the \$20,000,000 appropriated by Section 124 of the National Defense Act. During 1918 both nitrate plants were completed and in November, 1918, came the Armistice.

In January, 1919, A. G. Glasgow was appointed Nitrate Director by President Wilson and directed to arrange for the production of nitrates for fertilizer at the Muscle Shoals nitrate plants. After an unsuccessful effort to interest private concerns, Mr. Glasgow, in October, 1919, submitted a plan for government operation of the Nitrate Plant No. 2. This was embodied in a bill known as the Wadsworth-Kahn bill. Endorsed by farm organizations, this bill passed the Senate in May, 1920, but was lost when adjournment came without its having been considered by the House.

In March, 1921, Secretary of War Weeks announced that if he received an offer representing a fair return on the investment necessary to complete the Muscle Shoals project he would send it to Congress, and asked for bids. On April 30, 1921, work was stopped on Dam No. 2 for lack of funds.

On July 8, 1921, the proposal of Henry Ford was signed, sent to the Secretary of War, and its terms made public. On November 23 the American Farm Bureau Federation endorsed the Ford proposal. On February 1, 1922, Secretary Weeks transmitted the Ford offer to Congress, and on February 10 the House Committee on Military Affairs began hearings on it. On February 15 the proposal of the Alabama Power Company was sent to the Secretary of War, who transmitted it to Congress on February 21.

On March 25, 1922, members of the Senate Committee on Agriculture and the House Committee on Military Affairs made a personal visit to Muscle Shoals. On April 10 the Senate Committee on Agriculture began hearings. On June 24 the Senate adopted the amendment to the army appropriation bill offered by Senator Norris of Nebraska appropriating \$7,500,000 for continuing work on Dam No. 2 under the direction of army engineers. On June 24 the House accepted the Senate amendment but made the provision that the funds should not be available until October 1, 1922.

Muscle Shoals in Congress

Pending Legislation Designed to Solve Problem of Muscle Shoals

In the Senate

- I—*Ladd Bill, S. 3802*—Authorizing the acceptance of the proposal of Henry Ford. Reported to the Senate on July 30, 1922, from the Senate Committee on Agriculture and Forestry by seven members of the Committee, under special agreement.
- II—*Norris Bill, S. 3420*—Providing Government operation of Muscle Shoals (see Norris proposal). Reported to the Senate on July 30, 1922, from the Senate Committee on Agriculture and Forestry by five members of the Committee, under special agreement.
- III—*S. J. Res. 227*—Rejecting all bids for the development of Muscle Shoals. Reported by Senator Norris from Senate Committee on Agriculture and Forestry on July 30.

In the House

- I—*McKensie Bill, H. R. 11903*—Authorizing the accepting of the Ford proposal with the exception of the Gorgas steam plant. Favorably reported to the House on June 9, 1922, by House Committee on Military Affairs.
- II—*Wright Bill, H. R. 11886*—Identical to Ladd bill (S. 3802). Not reported by Committee.
- III—*Almon Bill, H. R. 11904*—Similar to Wright bill. Not reported by Committee.
- IV—*Hull Resolution, H. J. Res. 333*—(Introduced Sept. 20, 1922). Authorizing the Secretary of War to sell or lease Government properties at Muscle Shoals. Pending in House Committee on Military Affairs.

OFFER PENDING IN SENATE AND HOUSE

Summary of the Ford Offer

Original offer made July 8, 1921. Referred to Congress by Secretary Weeks Feb. 1, 1922. Modified in final form by Mr. Ford, May 3, 1922.

MR. FORD binds himself, his heirs, representatives, and assigns and the company that he is to form, together with its successors and assigns, to do the following:

To complete Dam No. 2 and build Dam No. 3 as speedily as possible at cost and without profit, and in accordance with plans and specifications of the Chief of Engineers.

To lease both dams for 100 years from the date when 100,000 horsepower is installed and ready for service at Dam No. 2.

To pay the Government 4 per cent on the entire cost of completing Dam No. 2 and building Dam No. 3, whatever the cost, including both locks and power-house facilities, may be, except that no interest is paid while the dams are being built, and payments are not made at the full rate of 4 per cent during the power-loading period of six years at Dam No. 2 and three years at Dam No. 3.

To set up a sinking fund which will return to the Government the entire cost of both dams so that at the end of the lease period the Government will receive the full amount of its investment in these dams and thereafter the water power will be free from interest charges.

To pay the maintenance and operation costs of the locks and dams, to the extent of \$55,000 annually.

To furnish without cost to the Government all power required for the operation of the navigation locks during the period of the lease.

To pay \$5,000,000 for nitrate plants No. 1 and No. 2 together with their steam plants, the Waco quarry, and only

such rights and ownership as the Government may have in the steam plant of Gorgas, Ala., transmission lines, etc.

To maintain nitrate plant No. 2 or its equivalent in its present state of readiness for immediate operation in the manufacture of materials necessary in time of war for production of explosives.

To manufacture nitrogen fertilizers and other commercial fertilizers, either mixed or unmixed, with or without filler, according to demand, using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present capacity of nitrate plant No. 2.

To limit the profit made in the manufacture and sale of all fertilizer produced, so that it shall not exceed 8 per cent of the fair, actual annual cost of production.

To determine by research on a commercial scale the methods of fertilizer manufacture by which fertilizer compounds of higher grade may be produced at a lower price and to reasonably employ such improved methods as are found successful.

To see that the fertilizer provisions of Mr. Ford's contract limiting his profits to a maximum of 8 per cent and providing equitable distribution of the products are faithfully carried out, he agrees to a board of nine voting members, of whom seven are members of the three leading national farm organizations, who are nominated by the President, by and with the advice and consent of the Senate. The board is to determine whether or not prices charged are fair and to have power to regulate both prices and distribution of the fertilizers produced.

OFFER PENDING IN SENATE

Summary of the Norris Bill Proposing Government Operation

Introduced in the Senate April 10, 1922.

THIS bill provides that the nitrate plants and all other property owned by the Government at Muscle Shoals shall be retained in the name of the U. S. Government. It provides that Dams Nos. 2 and 3 shall be finished and completed by the Government, and that all property owned by the Government shall be operated and controlled by a governmental corporation. In order to keep this corporation out of politics, it is provided that a board of directors shall be appointed by the President, confirmed by the Senate; that they shall hold office during good behavior, but can be removed by the House and Senate. They are directed to operate these

dams and the steam plant at Muscle Shoals for the purpose, first, of supplying explosives in time of war, and second, fertilizer in time of peace. They are authorized to sell any surplus power that may be developed, giving the preference to state, counties, and municipalities that are properly provided for. They are directed to operate nitrate plant No. 1 as an experimental plan, to employ chemists and experts for the purpose of developing improved methods of the extraction of nitrogen from the atmosphere. In case of war, nitrate plant No. 2 shall be operated for the benefit of the Government.

Other Offers for Muscle Shoals

Rejected by Senate Committee. Not Reported by House Committee

Summary of the Alabama Power Company Offer

(Made Feb. 15, 1922. Referred to Congress by Secretary of War, Feb. 21, 1922.)

TO complete Wilson or Dam No. 2, install power house and equipment for 240,000 h. p., without expense to the Government, under provisions of the Federal Water Power Act, and provide additional installation as required to meet market demands.

To provide the Government or its lessee, without cost, the first 90,000 secondary h. p. from the normal flow of the river and 10,000 primary h. p. for production of fertilizers and munitions of war. If not used, the Company offers to purchase and pay for the same at a price to be fixed by the Federal Power Commission.

To pay \$5,000,000 for the interest of the Government in the Warrior extension and facilities, the Warrior and Sheffield substations, the eighty-eight mile transmission line from Warrior to Sheffield, and the steam plant at nitrate plant No. 2, including necessary rights of way, lands and housing

facilities, less the cost of locks and navigation structures.

To operate and maintain the power plant, dam and gates, and furnish, without expense, power to maintain and operate the locks.

The Government to transfer to the Company the Wilson Dam property and accept title to the locks and navigation structures upon completion.

The Government to have the right, when its safety requires, to take over and operate the project for production of explosives or munitions of war, or any other purpose involving the safety of the United States under provisions of the Water Power Law.

The license to be limited to 50 years and the property thereunder subject to recapture by the Government upon payment of the net investment of the Company in the project.

Summary of the Federick E. Engstrum Offer

(Made Feb. 23, 1922. Referred to Congress by Secretary of War, Feb. 24, 1922.)

REQUIRES an expenditure by the Government only large enough to finish dam No. 2 and to equip nitrate plant No. 1 and nitrate plant No. 2, so as to produce nitrates for fertilizers; does not require the Government to build No. 3 at present; provides for operating both nitrate plants from the power produced at dam No. 2.

Provides for using all of the power necessary from dam No. 2 to run both nitrate plants, and then to sell the excess power (about one-half of the power produced at dam No. 2) to finance the production of nitrates to be sold at cost and to pay the Government a rental on the lease to amount to three-fourths of the net proceeds derived from the sale of such excess power while one-fourth of the proceeds of such sale will be retained by lessee as its compensation for the production of such cheap nitrates for fertilizers.

Provides that if the funds received from the sale of excess

power should ever be insufficient to provide for the operation of both nitrate plants at their full capacity and the sale of nitrates at cost, the lessee will advance the money necessary for such operation and agrees to give a good and sufficient bond to guarantee the faithful performance of the lease contract.

Provides for the building of dam No. 3, under the same terms and conditions, when the needs for navigation and the increasing needs for more fertilizers shall require it. At the end of the fifty-year lease, all property will be returned to the Government.

Provides an alternative proposition to finish the Muscle Shoals project for the Government if desired, and to do so at cost with a fee of five per cent to be added to cover the cost of superintendence and engineering fees, and then to lease said project under the above terms of said proposal.

Summary of the Charles L. Parsons Offer

(Made March 23, 1922. Referred to Congress by Secretary of War, April 4, 1922.)

THE company will purchase the first 100,000 kilowatts of secondary horse-power, developed from the dam or dams to be constructed at Muscle Shoals, at a price of 0.75 mill per kilowatt hour for power available per year.

The company will purchase for the sum of \$600,000 all of the property constituting plant No. 1.

As a condition of the above purchase, the company requires:

The option to lease the carbide plant, constituting a portion of plant No. 2, for the sum of \$50,000 per annum and an option to purchase all of the property constituting the Waco quarry for \$200,000, or to lease in lieu of purchase for \$20,000 per annum.

If the above offer is accepted by the Government, the company will agree to operate plant No. 1 as an air nitrogen fixa-

tion plant. The company will maintain a research laboratory to develop, if possible, cheaper and more economical methods of procedure for the fixation of nitrogen and for the production of electric furnace products. The company will also agree to keep such portion of plant No. 2 as it may lease in good condition and available to the Government at once in any emergency.

The company will agree, in case the Government leases the nitrate plant connected with nitrate plant No. 2, to furnish to any lessee the Government may nominate, the calcium carbide it may require for the production of cyanamid or fertilizer products therefrom at a profit of 6 per cent. It also will agree to furnish at cost to such lessee for the purpose of producing cyanamid such power and such pure nitrogen gas as may be necessary to efficient operation.

Senate Committee Report Opposing Ford Offer

As stated by Senator Norris, Chairman

Senate Committee on Agriculture and Forestry

THE acceptance of Mr. Ford's offer would turn back the clock of progress and open the door wide for the use of natural resources by corporations and monopolies without restriction, without regulation, and without restraint. If this proposition is accepted the fight for the preservation of the natural resources of the country is lost, the surrender to special interests and monopolies is absolute, and a precedent is established that will take from the control of the people the greatest resources that have ever been given to man by an all-wise Creator. The question goes way beyond individuals and personalities. There is no man so good, there is no man so great, no corporation so beneficent as should induce a patriotic legislature to thus surrender to unregulated monopoly the rights and privileges that belong to all of the people and which ought to be kept and preserved for our descendants.

The wonderful propaganda that has been carried on over the country in favor of the Ford offer has led the people to have an entirely erroneous idea as to what the Ford offer really is. It is difficult to harmonize our idea of Mr. Ford's fairness with his silence on this subject, when his name is so often used in exaggeration and misrepresentation as to just what he does offer to do. The country has been given to understand that Mr. Ford has guaranteed to reduce the cost of fertilizer by one-half. He has done nothing of the kind. He has made no guarantee of any kind in the way of the reduction of the cost of fertilizer. The country has been given to understand that he pays the Government 4 per cent interest on its investment in the two dams. He does nothing of the kind. He has not made any such offer and no such proposition is included in his bid. Giving his corporation credit for every dollar that it pays, he will be paying to the taxpayers less than 3 per cent on the money which he uses out of the Treasury of the United States, and when we consider that this loan runs for 100 years it requires even the stretch of the imagination to understand the enormous profit that his corporation secures in this one item alone.

Assuming that a fair interest rate in the commercial world is 6 per cent interest, this would give his corporation during a hundred-year period a total gift of cold cash of \$236,250,000 and if this money were compounded, as Mr. Ford asks the Government to compound what he pays, the profit to the corporation at the end of the 100-year period would be \$14,500,000,000. This is more than half our total cost of the World War.

The country has been given to understand that the Ford offer provides for the repayment to the Government within the 100-year period the entire investment that the Government has made. His offer does nothing of the kind. On the other hand, the total payments included in the offer of both interest and amortization, amount to less than 3 per cent on the investment and he never pays one dollar of the principal. The people of the country have been led to believe that the Ford offer means a reduced price for electricity to the consumer. It means nothing of the kind. He has not agreed to furnish a single kilowatt to any home or to any manufacturing concern except his own. The great city that is to spring up as if by magic will probably have its streets

and its homes lighted by electricity generated from coal that is shipped in on the railroads. The mighty power at Muscle Shoals will be devoted entirely and exclusively to the use of the great corporation which Mr. Ford will organize.

When we bring together the results that must follow from these two divisions of the Ford offer, the mind is dazed at the unreasonableness of the proposition, at the enormity of the gift. With the expenditure of no money, there is turned over to a corporation property of the value of more than \$100,000,000, and the right and privilege to extort unjust profits from the citizens of this country without limit. Money is furnished by the unwilling taxpayers of the country to construct improvements of millions in value and to finance operations on the most gigantic scale in history, not for the benefit of the people but entirely and exclusively for the benefit of one corporation. The inheritance of our children and our children's children is mortgaged, and the resources of our country are not only given away but with the gift is tied up cheap money, obtained at the expense of the taxpayers, and the right to use it with but little recompense for 100 years time. There is nothing in the history of the world with which this can be compared. Civilization is without a precedent. If the Ford offer is accepted then the fight for conservation that has been waged by public-spirited and patriotic men and women all over the country is not only lost and given away but those who are unwillingly compelled to make the gift are to be taxed 100 years to make the gift more profitable. It is the greatest gift ever bestowed upon mortal man since salvation was made free to the human race.

Of all those who have made a bid for the Muscle Shoals project, Mr. Ford is the only bidder who has insisted that the Government should include its interest in the Gorgas plant in the transfer of its Muscle Shoals property.

The total expenditure of the Government in connection with the improvements at Gorgas was nearly \$5,000,000. A contract was entered into by which the Government agreed, when its Muscle Shoals plant was completed, to sell to the Alabama Power Co. its interest in the Gorgas plant. All these improvements, paid for by the Government of the United States, were constructed on land owned by the Alabama Power Co. The Government agreed with the Alabama Power Co. that upon the completion of Muscle Shoals it would sell to the Alabama Power Co. its interest in the Gorgas plant and the transmission line, and the contract itself provided for a method of appraisement of the Government's interest, if an agreement could not be reached by direct negotiation. This provision of the contract has, however, been held to be illegal by the legal advisers of the War Department, on the ground that at the time the contract was made the Secretary of War had no authority, without an act of Congress, to sell property belonging to the United States.

The Alabama Power Co. is contending that the clause in the original contract by which the Government has agreed to sell its interest to the Alabama Power Co. is legal and binding, and that whatever the legal difficulties are or whatever the final outcome may be, there will be serious and almost unlimited litigation if the Government undertakes to sell its interest to any third person.—Extract.

Senate Committee Report Supporting Ford Offer

As stated by Senator Ladd, Member

Senate Committee on Agriculture and Forestry

BY accepting the Ford proposal under which the Government's Muscle Shoals enterprises will be properly worked out with competent administration and direction, backed with ample capital, this enterprise can be made to serve the public welfare in several important ways.

First.—It will contribute to our national defense by providing a supply of the indispensable nitrates that must be had for the manufacture of explosives in time of war.

Mr. Ford agrees to carry on a program of research to determine the most improved methods for the operation of such a nitrate plant and to adopt such methods which means that the nitrate plant will be kept in an up-to-date state of readiness. The national value of this requirement under which Mr. Ford may be compelled to completely rebuild nitrate plant No. 2 at any time cannot be overestimated.

Second.—It will contribute to agriculture by providing a large scale production of fertilizers produced under most favorable manufacturing conditions, which are to be maintained abreast of progress in an art that is developing rapidly. Such a plan can reduce the cost of fertilizers and should be adopted.

The Muscle Shoals location is especially favorable as a site for a great electro-chemical fertilizer industry, and such an industry, supplied with cheap power, an economical source of raw materials, managed with such efficiency as Ford organizations have everywhere shown, and established for 100 years under a policy laid down in the contract which is independent of the life of Mr. Ford, and regulated by consumers themselves as provided in the contract, will be an asset of very great importance to the agriculture of the Nation.

Third.—It will contribute to the advancement of American industry by introducing a plan of water-power development which provides the means whereby hydro-electric power ultimately may be had in the United States as cheaply as in the naturally more favored countries such as Canada and Norway.

When the items which go to make up the cost of hydro-electric power are examined, it is found that under the conditions of construction and financing existing in the United States, the single item of interest on the investment constitutes 80 per cent or more of the cost of the power.

Mr. Ford proposes to eliminate the interest by amortizing and returning the investment, through the operation of a long-time sinking fund. He provides a series of payments which, when invested in a sinking fund at as low a rate of interest as $4\frac{1}{2}$ per cent, will return the entire cost of both dams, including the \$17,000,000 already expended by the Government. The total sum returned would amount to \$70,100,000. This eliminates the capital charges and interest and ultimately reduces the cost of power to the mere cost of operation, maintenance, replacements, taxes, and administration, which in a large plant is from \$2 to \$5 per horsepower per year. Under this plan the bonded indebtedness on a water-power development is reduced instead of being increased, as is frequently the procedure in refinancing operations. We can not withhold our support from a proposal which embraces a plan that may furnish an example of how fully 60 per cent of the cost of hydro-electric power to the consumer may be taken from his power bill.

Fourth.—It will contribute to the early completion of permanent navigation improvement on one of the most important of our inland streams. At Muscle Shoals under the Ford

offer the power pays for the cost of the navigation structures together with their maintenance and operation.

It is fair and just to private industry to accept the Ford offer. First, because all interests had an opportunity to bid on the Muscle Shoals project. These interests even declined the opportunity of using the Government's nitrate plants free of cost. How can they justly complain against the acceptance by Congress of the Ford offer when he proposes to pay \$5,000,000 for the same nitrate plants that they declined to run free of any purchase or rental cost, Mr. Ford agreeing to sell fertilizer at no more than 8 per cent profit?

Second, because Mr. Ford undertakes to work out the ammonia problem to provide cheaper nitrogen fertilizers in this country. This is something which the fertilizer manufacturers have not done and which if done by them could not be expected to benefit the consumer for they are not even willing to give him the benefit of reduced prices when there is a surplus of production.

The chief objection to the acceptance of Henry Ford's offer for Muscle Shoals is the 100-year lease period, instead of 50 years as provided for ordinary water-power projects under the Federal water-power act. We wish to point out that this is not an ordinary water-power project. It involves the maintenance ready for immediate use of what is probably the largest explosives plant in the world; it involves the continuous operation for the lease period of the fertilizer plant, having an annual capacity equivalent to 250,000 tons of Chilean nitrate, which is equal to all the Chilean nitrate used by the American farmers in a normal year; it involves building up the industries which are to use this power, including the probable complete rebuilding of the nitrate plants; it involves the unconditional obligation to pay interest on the cost of generating equipment which depends for its usefulness on the regulation of the flow of the Tennessee River, and this in turn calls for the building of several large storage dams in the upper Tennessee River or its tributaries. All of these operations are on a scale without a parallel and call for an investment estimated by Mr. Ford's chief engineer at more than \$50,000,000.

With reference to the contention about the Gorgas steam plant we feel that we can make little comment. Believing, as we do, that the United States has every right in the world to accept Mr. Ford's offer for Gorgas, and since Mr. Ford's offer will stand rejected unless his proposal for Gorgas is accepted, we have no difficulty in deciding what ought to be done. We are not unmindful of the interests of the Alabama Power Co., but as a matter of duty, we are more mindful of the interests of the Government at Muscle Shoals. The Alabama Power Co. desires Gorgas as an auxiliary to its water-power development, and Mr. Ford desires Gorgas as an auxiliary to Muscle Shoals water-power development.

None of the objections to the Ford offer can be remedied or solved by Government ownership and operation at Muscle Shoals—by the Government going into the power business or entering the uncharted and hazardous field of operating nitrate plants at Muscle Shoals in the production of nitrogenous and other commercial fertilizers using electro-chemical processes, the commercial success of which is yet controversial. For Congress to adopt such a policy, when Henry Ford's offer makes it unnecessary for the Government to do so, would subject Congress to the just condemnation and reproach of all sober-minded people.—*Extract.*

House Committee Reports Supporting Ford Offer

I—As stated by Representative McKensie, Member

House Committee on Military Affairs

(Excluding Gorgas Steam Plant)

THE proposal of Mr. Ford to form a corporation and to take over the property for a period of 100 years, during which long period he agrees to maintain and keep in readiness for the production of nitrogen to be used in the manufacture of explosives, to the full capacity of nitrate plant No. 2, as a matter of national defense, is a thing of far more importance than the payment of a few millions of dollars. And his second continuing obligation, that during peace time he will run to its full capacity the said plant for the production of the elements of commercial fertilizer, in the interests of the farmers and other users of fertilizers in this country, is perhaps equal to if not a greater undertaking than the maintenance of such plant as an element of national defense. Taking these two propositions together, and in addition his obligation to pay 4 per cent annually on the cost of the completion of Dam No. 2 and the construction of Dam No. 3 and on the cost of the flowage rights for the lease period, and in addition to establish a sinking fund which, accumulating during the lease period, will amortize the Government for the entire expenditure for the completion of Dam No. 2 and the construction of Dam No. 3 in connection with the several minor obligations which he assumes, gives his proposal commanding attention, and one to which the Congress of the United States may well give its early and most earnest attention.

The Government has expended over \$100,000,000 on plants and buildings, which should be in operation at the earliest possible date instead of in an idle stand-by condition rapidly deteriorating. We have expended \$17,000,000 on Dam No. 2, which is estimated to be about one-third completed; a large amount of temporary construction, such as cofferdams, etc., necessary in the work of permanent construction of the dam, is fast going to waste; the enormous amount of machinery necessary in such construction, including boats, steam engines, cars, cranes, mixers, etc., are standing idle; and the Government is paying for a large force to guard and keep in at least partial repair the vast amount of property located at this place. No return of consequence is coming to the Government from all this great expenditure, and the annual loss runs into hundreds of thousands of dollars. Action by Congress is imperative, and immediate action means economy if such action wisely provides for such disposition as will insure an income for the Government and not a continuous outlay. Two courses are open, one Government ownership and operation, which in view of the character of the project would, in the judgment of the majority of the committee, mean not only failure from the standpoint of income but disaster to the hopes of the farmers and other users of commercial fertilizer. To have the Government undertake to engage in the manufacture of fertilizer ingredients, with political superintendents, foremen, and straw bosses is unthinkable, and to undertake such a scheme would be unspeakable folly.

The alternative course is to sell the tangible property to private individuals or to a corporation on conditions prescribed by Congress, lease the power at a fair rental, and permit individual American initiative and ingenuity to have an opportunity at this place, where the greatest water power in our country can be developed, requiring the preservation of the element of national defense, and at the same time giving an opportunity for relief, if such there can be to not only

the Southland but our entire country in the way of commercial fertilizer at reasonable prices.

Is this possible? Does the Ford proposal promise such a consummation? We feel that it does, or at least it is the only proposal yet made by anyone that even gives ground for hope, and his offer is not entirely free from objections, as evidenced by the elimination of certain features of it by the committee; however, it is of such great potential possibilities that the committee felt assured action by Congress would be prompt and a final and satisfactory adjustment of the matter could be reached.

The majority of the committee decided to eliminate from the proposed offer all that portion of the same relating to the Gorgas Warrior steam plant because of this particular plant, being 88 miles distant from Muscle Shoals, it can not be considered as an integral part of the Muscle Shoals project.

The government's interest in the Gorgas Warrior River steam plant, approximately \$5,000,000, is in the plant on the land of the Alabama Power Co., and the power plant is built into and connected with the plant of the Alabama Power Co. in such a way as to make it physically impossible to deliver the tangible property to any purchaser other than the Alabama Power Co.

II—As Stated by Representative Wright, Member

House Committee on Military Affairs

(Including Gorgas Steam Plant)

IN the main we concur in the able and comprehensive majority report except we are unable to agree with that part of it which eliminates from the Ford offer the Gorgas Warrior steam plant and transmission line.

We are unwilling to jeopardize the consummation of the Ford proposal and lose its manifold advantages to the Government by standing out for the elimination of the interest of the Government in the Gorgas plant. At most, the difference is two and one-half-million dollars and would it be a wise policy to forego the advantages of the Ford offer, one which fully embraces the objects and purposes for which the plants at Muscle Shoals were designed and constructed and which would be a disposition of the entire property of the Government at that point, and thus remove the Government from the business of building dams to generate hydro-electric power, disposing of such power and operating plants for the production of nitrates and fertilizers?

Mr. Ford has never made an offer for the properties in question with the Gorgas plant eliminated. Would it not be anomalous, indeed, a vain and useless thing to enact legislation, as proposed by the McKenzie bill, to accept an offer which had never been made and which there is no assurance would ever be made.

Mr. Ford contends, a contention that is easily understood when it is recalled that the Gorgas plant is located at the mouth of a coal mine and it is much more economical to transmit the power to Muscle Shoals than to have the coal transported there, it is necessary to the economical operation of the Muscle Shoals properties, and expressly states if his revised offer for Gorgas is rejected, then he must understand the acceptance of his offer for Muscle Shoals as a whole, and not in part, is rejected.—*Extract.*

House Committee Report Opposing Ford Offer

As stated by Representative Kearns, Member

House Committee on Military Affairs

THERE are a great many men throughout the United States who are strong advocates of the Ford offer without having any true understanding of what his proposition contains. They have been led to believe that Mr. Ford will manufacture fertilizer in such large quantities that it will compel the exorbitant prices now being asked for this much-needed commodity to fall materially. The persistent report is that he will compel the fertilizer manufacturers of the country to sell their product at half they are now selling it. But Mr. Ford does not agree to make fertilizers during the entire lease period unless he can make them with profit to himself, and he has steadfastly refused to bind his proposed company in the contract to make fertilizer if certain contingencies should happen.

The propagandists do not only try to gain the sympathy of the farmer but to elicit the attention of the unemployed by painting a rosy picture of the great activity to be started overnight at Muscle Shoals, where they promise a million men will be given employment. This is very appealing and alluring to the man who is out of work. But these statements that are made by these propagandists will not bear the calumny light of real publicity.

If this company is indeed in earnest about making fertilizers why is it that Mr. Ford's representatives have always refused to accept a clause in the contract written by the members of the Military Affairs Committee that would make it binding upon him to make fertilizers in all circumstances whatever else he might do with the Muscle Shoals plant? Such a clause was three times prepared by the committee and it was three times rejected and the proposal of Mr. Ford that is now before the House was written by his lawyers and contains no clause whatever that would compel his company throughout this 100-year period to manufacture fertilizer unconditionally.

All agree that Mr. Ford is honest and that he has said he wants to make fertilizer and some are willing to take him at his word, but Mr. Ford can not live throughout any considerable part of the term of this water-power leasehold, and when he is gone and all the men that he may have surrounding him will have passed away we do not know in what unconscionable hands this plant will fall and neither does any man know who is living today. The company would be a private company doing business for itself and uncontrolled or unhampered by any utility commission, either State or Federal, except that if it makes fertilizer it must make it at a profit not to exceed 8 per cent.

The property for which Mr. Ford offers only \$5,000,000, consists of Waco quarry costing \$1,302,962; Gorgas steam plant costing \$4,900,000; Nitrate plant No. 1 costing \$12,887,941; and Nitrate plant No. 2 costing \$66,252,393, a total cost to the Government of \$85,343,296. These figures do not include the interest on these huge sums which now amounts to many million dollars.

Five million dollars for \$85,343,296 worth of property seems wholly inadequate when it is remembered that Mr. Ford could immediately dispose of the Gorgas plant to the Alabama Power Co. for \$2,500,000. It would be seen, therefore, should this offer be accepted, that all of this vast amount of property will be given away and not a cent be realized by the Government. Out of this \$5,000,000, too, Mr. Ford de-

mands that the Government shall furnish to him the overflow rights at Dam No. 3, the cost of which has been estimated at from \$1,500,000 to \$2,000,000.

Mr. Ford's offer only contemplates the payment of 4 per cent interest on the cost of completing Dam No. 2 and building Dam No. 3, taking no account whatever of the \$17,000,000 that has already been spent on Dam No. 2. He is to get the use of this vast sum of money throughout the entire lease period of 100 years gratis.

It must be remembered that Mr. Ford does not own these dams but he is given the use of them. Hence, if the dams should break the Government must stand not only the cost of rebuilding, but must pay any damage that arises in consequence of the escape of this impounded water. If great loss of life and property should result thereby, Mr. Ford's company does not stand the loss, the Government would. How many millions or even billions this is going to amount to in the course of 100 years we do not know and neither do you. We do know, however, that Mr. Ford has studiously guarded against making himself or company liable for any of these great sums of money.

These dams that will have cost, when finished, the taxpayers of this country \$67,000,000 will remain the property of the United States throughout the life of this lease. Therefore, the company will be free of taxes on this gigantic outlay of money, to-wit, \$67,000,000, for all that time. Competing companies will be required to build their own dams at enormous cost and to pay taxes on the taxable value of the dams. This is another subsidy that will be handed to this company provided this proposal is accepted.

At the expense of repetition, let us again impress upon the public mind that in order to accept the Ford proposition the taxpayers of this country must put up \$50,000,000 additional money to complete the two dams. He will agree to pay to the Secretary of War for the use of the Government, semi-annually, during the lease period, the sum of \$23,363 to be used in retiring at the end of 100 years the \$50,000,000, the additional cost of the two dams. The total amount of annual payments for this purpose would be \$46,726. This company would therefore pay in cash to the Government throughout the period of 100 years only \$4,672,600. This offer proposes that the Government shall accept these semi-annual payments and at once invest them at 4 per cent interest and by compounding the interest and principal the \$4,672,600 that the company will pay in cash will amount in 100 years to \$49,071,935. This is indeed a very shrewd if not an entirely unique way of paying a debt of \$50,000,000 with the comparatively insignificant sum of \$4,672,600. If there should be a bad loan made, or anything at all should happen to the loan, the Government would then lose both its principal and interest. It will be noticed that the Ford company does not concern itself about the investment of these semi-annual payments, but that small detail is left to the Government itself. If this should be done and precedent in governmental affairs should be followed, we are justified in the fear that it would require the creation of an extra bureau with an army of clerks to follow this Ford fund throughout this 100-year period.

Men everywhere who understand this proposition condemn it in unmistakable terms. The entire people will sometime know what is being attempted and then the condemnation will be universal.—*Extract.*

Senators Discuss Ford Offer

Pro

Senator Arthur Capper, Kansas

Chairman, Senate Farm Bloc

THE manufacture of fertilizers will assuredly be a large part of Mr. Ford's operations. The experts have testified that Mr. Ford will have only about 250,000 horse-power that can be relied upon for commercial operations, and of this more than 100,000 horse-power will be required to operate the nitrate plant for the production of nitrogen and on demand he can be compelled to use another continuous 100,000 horse-power to make phosphoric acid, to say nothing of potash.

The farmer may be sure that Mr. Ford must make as a minimum a tonnage of fertilizers each year which shall have a nitrogen content of at least 40,000 tons of fixed nitrogen which is the present annual capacity of nitrate plant No. 2. Chilean nitrate of soda contains about 16 per cent pure nitrogen, so that 40,000 tons of pure nitrogen is equivalent to about 250,000 tons of nitrate of soda.

No power development on any navigable stream now in operation will be subject to more rigid Governmental requirements than Mr. Ford's will be at Muscle Shoals. When Mr. Ford sells power to the public, he must do so under the same regulations that apply to other public utilities.

Mr. Ford's company is subject to taxation by county, state, and Federal Government, and it cannot be fairly assumed that the taxing authorities will not tax his business so as to cover the lease of the hydro-electric dams. While the dams themselves, being Federal property, are not subject to taxation, it cannot be urged that the lease cannot be taxed.

In addition to paying taxes Mr. Ford is regulated with respect to profits and distribution of his principal product, fertilizers, as no other private concern is regulated; and he is compelled to maintain a military plant and to carry on a program of research on a commercial scale—so that this development is in a class by itself.

In granting a lease period of 100 years to Mr. Ford it neither does injustice to other hydro-electric operators nor does it create a precedent applicable to ordinary water-power developments. The record shows that every large power company now operating on a navigable stream operates under a franchise that is either for a period of 99 years or is perpetual; while the many power developments on streams that are not navigable are well known to have perpetual rights in all cases. In all the United States there is not a single large water-power development operating under a 50-year lease.

Mr. Ford agrees to pay into a sinking fund an amount which the Secretary of War has testified will return \$70,100,000 if invested at only $4\frac{1}{2}$ per cent and if it were invested in 5 per cent farm loan bonds it would return \$100,868,000.

Mr. Ford pays 4 per cent not only on the cost of the dams, power-houses and generating equipment as soon as completed, but on the cost of the navigation locks as well.

Under the Ford offer the most economical portion of the power at one of the most economical power sites in the United States is to be used for the manufacture of fertilizers in an especially favorable location for the purpose, with all operations of manufacture and sale to be carried on at a total maximum profit of 8 per cent with a committee of farmers to regulate the price and distribution of the product.

Such an enterprise at Muscle Shoals can be reasonably expected to give the farmers fertilizer "for one-half of what they would otherwise pay for it," according to F. S. Washburn, who built the nitrate plant.

Con

Senator William B. McKinley, Illinois

ONE objection I have to Mr. Ford taking over this power under his present plan is because he proposes to deprive thousands and thousands of people over an area of 600 miles in diameter of power and its use in order that he may build up at Muscle Shoals a new Detroit. That is a fine thing for the inhabitants of Muscle Shoals, and naturally they are extremely desirous of seeing their real estate advance in value from \$50 per acre to \$10,000 an acre, but it is a bad thing for the thousands and thousands of people within this 600-mile area. This power which will wholesale at \$10,000,000 per year will retail for over \$50,000,000 per year. Mr. Ford proposes to buy from the Government for \$5,000,000 what has cost the Government \$150,000,000 and pay 4 per cent interest on the additional forty or fifty million dollars which the Government must invest to complete the dams, and in addition to that he proposes to pay the Government \$46,000 a year, which he calls amortization, and \$55,000 a year which he calls repairs.

Mr. Ford does not propose to take this property but to have a \$10,000,000 corporation take title to it, and this title stands for 100 years. The experience with all large capital investments as corporations is that sooner or later, within 10 or 20 years, they pass into control of large money holders commonly known as "Wall Street." Mr. Ford, gets the property tax free for 100 years, with no control of any kind as to what price he should charge for power.

He requires the Government to install, at Government cost, machinery for 850,000 horse-power and agrees to use 100,000 of this power to make 40,000 tons of ammonia, which would make an amount of fertilizer which would not be sufficient to fertilize one-third of the acreage of Illinois alone, not including any other State, and he only agrees to furnish this provided he can sell at a profit of 8 per cent on the 4 per cent interest money he has secured from the Government. The testimony of the Army engineers who have had this property in charge since its inception is that with Chilean nitrates, or ammonia made from the by-products of coke ovens, power must be secured at three-quarters of a mill per kilowatt. They further testify that, not getting any interest on the money the Government has already invested, and 4 per cent on the additional money which the Government must invest under Mr. Ford's offer, it would cost $2\frac{1}{2}$ mills per kilowatt to generate the power, or three times as much as they testify that power must necessarily be provided in order to compete with present fertilizer.

One hundred years is a long time to give one man a tremendous natural resource, which now belongs to the people, and disinterested, thinking persons certainly should hesitate before voting for such a law. After a great deal of consideration, Congress within the past two years has created a Federal Power Commission, which can lease water-power for a limit of 50 years, or half the time you have recommended that this property given to Mr. Ford. Under Federal Power control the Government has something to say. Nothing should be done with Muscle Shoals property that takes away from the United States Government and from the State of Alabama the right to control rates. The time has gone by when large corporations should be given a free hand to exploit the people.

This Muscle Shoals project, if properly handled, will benefit hundreds of thousands of people and bring in more than \$10,000,000 annual revenue a year to the Government.

Must Congress Adopt Immediate Muscle Shoals Policy?

Pro

Representative Graham, Illinois

MR. Speaker and gentlemen of the House, for 30 years this Congress has been debating the matter of Muscle Shoals. During the last two or three years no one has taken a more active interest than I in this matter. My stand has usually been opposed to that of the gentlemen on the Democratic side of the aisle. Today I have come to the conclusion, after the best thought I can give to this subject, that the proposition to appropriate \$7,500,000 to be spent on this dam without any policy approved or adopted is the height of folly. What are you to appropriate your \$7,500,000 for? What are you going to do with it? You are starting out and engaging upon a program of spending at least \$28,000,000, to be spent in three or four years, to get what? To get a dam across the Muscle Shoals in the Tennessee river which will not benefit navigation any without the other two dams.

And what are you going to do with it when you get the dam? You will have a dam across the Tennessee river without any policy adopted, and of course only one or two things can be done with it. One is Government operation. Is there anybody on this side of the House who wants that? Was not a vote cast here a year ago in protest against that very thing? When we had our vote on the \$10,000,000 appropriation it was a protest against Government operation of this plant; and we said then, as did the committee of which I was chairman, in its report at that time, that we did not favor any more appropriations on this plant until we had some policy.

Let me quote from the recommendations of the Select Committee on Expenditures made to this House by the unanimous vote of the Republican members of that committee May 18, 1920:

"5. That no further funds should be expended by the War Department on the Muscle Shoals plant, and no further appropriations for alterations, changes, or additions to said plant should be made by Congress for the use of the War Department until some policy as to the future of said plant shall be determined upon by Congress."

Now, gentlemen on this side of the House, the burden is upon us to fix a policy here. Our Secretary of War, to whom this matter was referred, has referred it back to us, and we have not done anything, and now in order to avoid responsibility we spend \$7,500,000 on something when we do not know what the end of it will be.

Let me tell you something else. I have looked into this proposition, and if we start to build this dam down there we are building it for the Alabama Power Co. and nobody else. There is nobody else in that field that can lease that plant. Are we going to operate it ourselves? Are we going to build transmission lines all over that country and sell this power ourselves? No; we would probably lease or sell the plant after we have finished it, and there is only one corporation in that locality that can take it, and that is the corporation that has the whole field covered with its transmission lines, that today has this great steam-power plant under lease, and that has that whole territory covered as a commercial proposition. That is the Alabama Power Co. Who wants that company to get it? Gentlemen, let us fix the policy before we spend any more money. Are you willing to spend \$28,000,000 when we do not know what we are spending it for?

I for one, although I may be in the minority on the Republican side, do not propose to start out and pay \$28,000,000 of the people's money that my constituents have to help pay in taxes before I know what I am voting this money for.

Con

Representative Mondell, Wyoming

A YEAR ago, when this matter was under consideration, there were but few Members of the House who knew enough about the Muscle Shoals development or situation to have a very intelligent opinion as to whether or no we should expend any more money there or make any further effort at development through Federal aid. We have now progressed with consideration and examination of the matter far enough that I think most of us are of the opinion that Dam No. 2 should be completed; that whatever shall be done thereafter as to the use of the power and the development of enterprises there, we should at least go forward and complete the dam. And in view of the conditions at and surrounding the dam, the work of completing it should be undertaken without any further delay. If we should eventually accept Mr. Ford's offer, or any like offer, it would be necessary—at least, we would be urged—to make even a larger appropriation than that carried in this bill. So that nothing is lost by making the appropriation now and much may be gained.

I do not know that many of us are now prepared—I think comparatively few on this side are—to say that we should accept Mr. Ford's offer.

Some one says Henry Ford is going to make fertilizer cheap, and without inquiry that statement is taken as gospel.

In saying that, I do not mean to say that there is no merit at all in the offer. Far from it. But the offer is so very extraordinary—what the Government is asked to do is so tremendous and so stupendous, and what Mr. Ford offers is so trifling—that if anyone else were to have made the offer I am sure it would have been treated with suspicion, if not derision, from one end of the country to the other.

What Mr. Ford asks is that we shall give him some \$68,000,000 worth of property for \$5,000,000, and that we shall then give him the use of \$17,000,000 more in the form of an unfinished dam, and on top of that we shall put \$50,000,000 more of the taxpayers' money into that dam and other dams, and shall take all the risk of those dams for 100 years.

I have said to gentlemen on both sides that if they can find anywhere in all the history of financial operations any case anywhere where anybody wiped out a loan by the payment of a tenth part of the principal, I shall be willing to accept the Ford offer without further discussion. But as I never heard of just that sort of thing before, I want a little time in which to study and digest that novel and extraordinary new development in high finance. This sale of Government property to Mr. Ford at about 5 cents on the dollar of cost and this further vast loan to be wiped out by payment of less than 10 per cent of the principal of the loan are justified, we are told, because Mr. Ford is to make a lot of cheap fertilizer, but Mr. Ford does not promise to make a dollar's worth of fertilizer unless he can make it with an 8 per cent profit.

If under that contract Mr. Ford could not make 8 per cent on the manufacture of fertilizer, he could not be compelled to make a pound of it. There is not a court in the world that would compel him to do it.

We ought to have time to consider these matters and in the meantime, unlike the gentlemen who have been so insistent heretofore on having this started, but who now preach delay, I want to start Muscle Shoals right away. I am not in favor of waiting until some other action shall be taken later.

Henry Ford vs. Alabama Power Co. on Gorgas Issue

Henry Ford

A YEAR ago the Government invited us to bid for Muscle Shoals. Up to that time, it had received no offer. The other great industries of the country were willing to see Muscle Shoals junked. To save this great work of the American people, we made an offer for the entire project built by the Government in the Muscle Shoals district. Twice, at their request, we have clarified the wording of our offer to leave no question of our intent. Nearly every change asked has been incorporated. Now we don't intend to alter the offer again—it's squarely up to Congress, to accept or reject. The committee asked us to exclude the Gorgas Plant from our offer. We couldn't do it. Until we complete Dams Nos. 2 and 3, which may require three to four years, the Gorgas Plant is absolutely essential to the economical operation of the great nitrate plants. The Government recognized this fact in building the project.

There are no coal mines near the nitrate plants. At Gorgas on Warrior River, 91 miles from the nitrate plants, the Alabama Power Company has a small steam-power plant at the mouth of a mine. The Government built a large addition to this plant with the idea of getting enough power to turn great generators, which would develop electric current to be transmitted to Muscle Shoals over high-tension cables. That was good industrial judgment. It eliminated a tremendous coal-carrying expense. We only wish to do the same thing. Good business sense dictates it.

There's another reason. When the dams are completed and the river is at full flow, we will develop approximately 1,000,000 horse-power. But, as summer comes and the water lessens, power decreases. The power thus cut off at the dams has to be replaced by steam-power. On Reservation No. 2 the Government built a 90,000 horse-power steam plant. When the water begins to recede, we can not start this great plant to supply only 1,000 horse-power. We need an alternative power supply that can be built up gradually as the water-power falls off and then cut down as the waters rise and the water-power comes back.

There is still a very powerful reason—one that touches the whole American people. The contract by which the Alabama Power Company permitted the Government to build a Government plant on the company's premises is a classic example of how the interests of the people sometimes suffer when dealing with big business interests of the Wall Street type. Of course, the Alabama Power Company should not be expected to look out for their own interests and those of the American Government, too. Why should they—it was not their government! The Alabama Power Company was financed by British capital. We don't believe that contract should stand. We don't believe that foreign capital should get the benefit of a contract disadvantageous to the American people and the American Government.

Think of the employment it would give to scores of thousands of men with families and now out of work. Think of the benefit to the farmer of the new cheap fertilizer through increased crops. The investment there as Muscle Shoals, which cost \$106,000,000 of the people's money, taken from the family savings and invested in Liberty Bonds, is going to waste.

The destiny of our country, agriculturally and industrially, lies at Muscle Shoals. If Muscle Shoals can ever be developed as an example of what can be done with water-power, a new epoch in American agriculture and industry will be born—an epoch in which the American farmer and workman will be better off than he has ever been before.—*Reprint from Detroit News, June 1, 1922.*

Alabama Power Company

Thos. W. Martin, President

IF the proposal made by Mr. Ford to take the Gorgas plant should succeed it would have a very disastrous effect upon many industries in Alabama and not alone upon our own company.

The only way by which you can take any part of the Gorgas plant is to take it all, and those on the other side recognize it, who are demanding this plant. If you did that, industrial Alabama would be very vitally affected. It could not be operated as two stations because the very location of it is such that it can not be separated. There is not physically enough space or square feet of acreage to permit of two plants being operated there. There is not sufficient cooling water. That was a part of the whole situation which the government officials recognized. We could not part with a part of the station. It would disarrange our whole hydro-electric system because our water-power system must have a steam reserve. We had many contracts to sell power based on our ability to deliver power throughout the year, this plant supplying the deficiency.

The Alabama Power Co., prior to 1917, acquired and owned the Gorgas steam plant, as the reserve steam plant for its system. To provide for the coals necessary, the Alabama Power Co. financed the coal operations then and now being conducted immediately at the plant.

When the government decided to construct the nitrate plant during the war, the existence of this steam plant, together with the large hydro-power plant of the company on the Coosa river, was the controlling factor in the location of the nitrate plant at Muscle Shoals, because it was necessary to have a large amount of power within six months. Government officials turned to our steam plant and to our system for this immediate supply of power. It was agreed that we would build a transmission line 90 miles to Muscle Shoals, and we did build the line in less than five months, enabling the government to obtain power in advance of the schedule on which the work was proceeding.

The Alabama Power Co. was directed in December, 1917, by the Nitrate Division of the government, to build a transmission line on rights of way of that company for the United States and to erect at Gorgas on its lands for the United States, an extension to its Gorgas plant. At the same time the Alabama Power Co. agreed, at the request of the government officials, that if the law permitted the government to sell its interests in these facilities, the company would purchase them at fair value.

The Alabama Power Co. explained that the cost of an extension of the capacity desired by the Government would be more than the demands of the company warranted; however, if the government would aid it in securing the funds with which to make such an extension that it would do so. Effort was made by the government officials to advance funds with which to build the plant, but it was found that there was no law under which it could be done. Thereupon, the company agreed to buy upon demand of the government its interest in the plant and substation at Gorgas. It further agreed to maintain the plant and to pay, during the time the government was taking power under the contract 6 per cent interest on the actual cost of the Gorgas extension and the Gorgas substation, and when the government was not taking power under the contract to pay the government for the power generated by said extension.

If there should be a condemnation suit, or a suit to take away these properties, that is an element of damage which will have to be taken care of.

Should Congress Accept Ford Offer?

Pro

Muscle Shoals Association

WHY should Congress accept the Ford offer? The reasons are clear:

It is the most business-like offer because:

It is backed by the assets of Henry Ford and his estate, under an agreement in which Mr. Ford's obligations are definitely specified.

It provides a return of 4% on the cost of completing the dams (after a short preliminary loading period) whatever that cost may be.

It sets up a sinking fund which, reasonably administered during the lease period will return to the United States the entire cost of the dams and some 50% of the total war investment at Muscle Shoals.

It relieves the government of the heavy depreciation and maintenance costs of the nitrate plant and yet keeps this great plant in readiness for instant use by the government for the manufacture of explosives in time of war.

It relieves the government of the cost of keeping the plant equipped with the most improved processes for nitrogen fixation and yet guarantees that the most improved methods will be adopted.

It provides a market for the power developed whereas there is no market for any such amount of power as the government will have available when dam No. 2 is completed.

It is the best offer for the country because:

It guarantees the annual production of fertilizer having a nitrogen content of 40,000 tons of pure nitrogen. This is equivalent to 250,000 tons of Chilean nitrate—which is the total amount of this nitrate used by American agriculture in a normal pre-war year such as 1913, on which the farmers paid an export duty to Chile of \$2,800,000. If purchased today this nitrate would cost about \$12,000,000.

It guarantees the production of other commercial fertilizers according to demand. Anyone at all familiar with the American fertilizer demand knows that this requirement will call for enough phosphoric acid to make a suitable mixture with the nitrogen, and there is nitrogen enough for 2,000,000 tons of 2-8-2 fertilizer or more than 25% of all the fertilizer used in the United States.

It calls for the full development of the hydro-electric power by the use of 4% money. It is certain that the power will be cheap. This, combined with the natural advantages of convenient raw materials, central location and water transportation, means beyond reasonable doubt that the fertilizer produced will be cheaper than the farmer has ever known.

The manufacture and direct sale to the farmer of a high concentrated material to replace present low grades assures an important saving in freight and commissions alone.

It is fair and just to other private industry because:

All interests had a fair opportunity to bid on the Muscle Shoals project, but Mr. Ford's bid was the only one received up to the time it was presented.

Interests now opposing Ford declined an opportunity to use the nitrate plants free of cost and were to be allowed to earn 9% on their invested operating capital before paying the government a penny. After earning the 9% additional profits were to be divided between these interests and the government.

There is no subsidy granted in accepting the Ford offer. The heavy obligations undertaken by Mr. Ford constitute the chief considerations in his offer. In comparison the \$5,000,000 is merely a payment to bind the transaction.

Con

The Merchants' Association of New York

WE believe that the Ford proposal should be rejected, both on financial grounds and because it covers in effect a huge subsidy to the Ford interests, of a nature seriously destructive to the development of industrial chemistry in this country, and particularly to the production of an increased supply of nitrates, necessary both for military protection and agricultural development.

We fully recognize the need for promoting in every proper way the fertility of agricultural lands through the provision of cheap and abundant fertilizing materials, but we are firmly convinced that the result of accepting any proposal based upon a Government subsidy to a single interest will tend to decrease instead of to increase the supply, and will therefore fail of its purpose.

We further object to this proposal because it calls for a large immediate outlay of public funds at a time when the need for public economy is extremely urgent. Nothing but an imperative public necessity can justify present additions to the existing financial burdens by which the people are oppressed. It certainly cannot be contended that the project under consideration is required by any public exigency.

Research in industrial chemistry for the purpose of fixing nitrogen derived from the atmosphere is now in progress with great assiduity on a wide scale, through the medium of private capital, in the hope and with the practical certainty of greatly increasing the supply of nitrates and decreasing their costs. The American modification of the Haber process, which successfully met Germany's nitrate needs during the war, is already in successful operation in this country, and widespread experimentation by other industrial plants is in progress.

Should Mr. Ford, by reason of the subsidy granted him, be able to produce fertilizers at substantially less than the market prices obtained by private industry, the result, in our opinion, will not be to increase the aggregate supply of nitrates so essential to this country's prosperity, both for military purposes and for rendering the soil more productive. The reason is obvious; the artificially low prices thus resulting would make it impossible for private capital to continue in the production of nitrates and fertilizers, and the total volume of such materials would thereby be greatly reduced below the present volume; or, as an alternative, the Government would be under the necessity of either permitting a complete monopoly by the Ford interests or of subsidizing other manufacturers in order to insure the required supply. Either of these alternatives is odious to the American people.

Public sentiment is extremely resentful of monopoly, and, urged by that sentiment, the Government, through the Federal Trade Commission, has strenuously sought for several years past to prevent even its semblance. The principle of subsidy to private interests is still more objectionable, particularly when so applied as to give artificial advantage to a special interest, and thereby to attack the legitimate operations of private capital.

In the event that the Ford interests are subsidized, it is inevitable not only that capital will cease further investment in a field where it is subjected to the destructive effect of subsidized competition, but that the vast volume of capital already employed in this field will retire as speedily as possible.

Does Ford Offer Serve Public Interests?

Pro

Mississippi Valley Association

MUSCLE SHOALS is a great national project, and its completion and development along the lines proposed by Mr. Ford will benefit the whole country.

Every sane citizen knows perfectly well that the only reason for the antagonism of the insidious interests who are fighting Mr. Ford is that they fear his competition will break up the monopoly which now exists by lowering the prices of the materials which they produce, and this, of course, is just what will happen.

The great electric power companies, the fertilizer manufacturers, the by-product coke producers and their financial allies in Wall Street maintain that what Mr. Ford proposes to do at Muscle Shoals cannot be done.

If Ford is actually inviting financial ruin by undertaking to produce cheaper fertilizer for the farmers at Muscle Shoals then why are they so worried about it? What they are afraid of is not that Ford will fail at Muscle Shoals, but exactly the opposite.

That the price of fertilizers can be greatly reduced is borne out by the findings of the British Nitrogen Products Committee, composed of the leading English scientists who thoroughly investigated the subject of nitrogen fixation, and it is further confirmed by the by-product coke interests themselves. The Ordnance Department estimates show that it can be reasonably expected that ammonia can be produced at Muscle Shoals at \$161.02 per ton of nitrogen against the pre-war cost of \$313.00 per ton of nitrogen in the form of sulphate of ammonia.

The United States has paid out for Chilean nitrates since 1867 the enormous sum of \$821,183,624.12. In addition to this large sum, the people of the United States have paid to Chile as export duty on nitrates shipped from Chile since 1867 \$163,647,780.63 and if we continue the present increase in imports of Chilean nitrates to the United States, our payment to the Chilean Nitrate Trust since 1867 will have amounted in 1928 to \$1,400,044,548.18.

Why should Mr. Ford not be allowed to make as large a quantity of these nitrates as he can possibly produce at Muscle Shoals, and sell them to our people at greatly reduced prices under those they are now compelled to pay to foreign capitalists for the same materials? Why should the people of the United States continue to pay tribute to foreign capital when the way is open for them to buy of our own producers at lower prices and keep our money at home for circulation among our own people?

Mr. Ford's enemies are also criticizing the 4% rate of interest which he proposes to pay the Government on its investment at Muscle Shoals, throughout the term of the proposed lease.

The bonds issued by the Government prior to the World War were put out on a basis of from 2% to 3%. A number of the issues bearing rates of 3% will not mature until from 1947 to 1961, so that during a period of 25 to 39 years, Mr. Ford would be paying 1 per cent more to the Government than it will be paying as interest on these bonds.

Con

Hugh L. Cooper

Consulting Engineer for Government

WITH reference to Mr. Ford's proposal, which is the only one I have studied—and I have not read any of the other proposals, and know nothing about them—I have come very reluctantly and regretfully to the conclusion in my own mind, based on 30 years' experience in the business and the engineering side of hydro-electric work, that Mr. Ford's proposal in its present form is a very bad thing from the public-interest standpoint and that it should never be adopted or accepted by the Government of the United States. It is the most extraordinary attempt at what I would call a raid on the Treasury that has ever come to my attention. As a matter of fact, it boils down to just this, that Mr. Ford, who is presumably one of the richest men in the world, is trying to borrow over \$80,000,000 at 2½ per cent interest from the Treasury of the United States, and with the money so borrowed he secures the uncontrolled use of the greatest water power the South has for 100 years, and I do not see any justification for it. It is my opinion that any disposal of the Muscle Shoals property should be limited as to its term certainly not to exceed 50 years, and it is my further opinion that the entire water power down there should be subject to official regulation under the terms prescribed by existing Federal law. These two dams create the greatest water power that the South has, and as a natural resource it is much greater than anything else they have, and because of the magnitude of these two dams this power has a tremendous bearing upon the peace and happiness and comfort and prosperity of millions of present and future people, and the proposal to hand out this great opportunity to an unregulated private individual and his heirs for 100 years and loaning money at 2½ per cent interest to harness this resource is most astounding to me.

Con

Air Nitrates Corporation

J. O. Hammitt, Vice-President

ACCCEPTANCE of the offer of Mr. Henry Ford for the nitrate plant and other property at Muscle Shoals would be a violation of the solemn obligation of the Government to Air Nitrates Corporation contained in the contract under which that plant was designed and built.

Mr. Ford's interest is primarily not in the nitrate plant but in the water-power development. What he asks the government to do is to give him the cheapest water power on the American continent, made so cheap by reason that it is developed for him at Government expense and that he receives a lease for twice the period under which power developed at private expense can be leased or can be possessed without being subject to recapture, and on conditions by which the rental he pays for that property is a very low rate of interest on a portion of the money the Government has invested in it. That is the thing that Mr. Ford would get of value to him out of his proposal, and he evidently considers that value so great that he is willing, in consideration of his receipt of that valuable thing, to make some kind of an effort, as described in his offer to operate the nitrate plant.

It is quite evident that Mr. Ford's interest is in the thing that Mr. Ford's organization has had experience with and understands in connection with that Muscle Shoals project, namely, power, and all the fertilizer end of the Ford offer amounts to is something that may attract sufficient support in order to make it possible for the power contract to be written.

Will Ford Make Cheap Fertilizer?

Pro

Frank I. Mann

Soils and Crops Editor, Prairie Farmer

A FEW facts show the importance of the government's nitrate plant to agriculture; the exhaustion of one-half the virgin fertility of our soils by the withdrawal and annual loss from the soils of over two million tons of nitrogen; the rapidly increasing area of abandoned lands because of nitrogen exhaustion; the difficulty and high cost of fixing atmospheric nitrogen by legume plants; the high relative cost and great need of various forms of commercial nitrogen.

The primary purpose of the government's plant at Muscle Shoals was for fixing atmospheric nitrogen for explosives, with a secondary purpose of fixing nitrogen for fertilizer purposes. The need for explosives having passed it remains for the government to decide what shall be done with this plant, and bids were solicited and received.

Ford's proposal stands alone in its provision for carrying on fertilizer production, and it should be given honest consideration. The essential points are: A company with \$10,000,000 paid-in capital is to purchase nitrate plants Nos. 1 and 2, the Waco quarry, and the government's interest in the Gorgas steam plant for \$5,000,000. These plants were built during the war on a cost plus basis, and their present value should not be computed on the basis of original cost.

Plant No. 1 is not considered of value except for experimental purposes. Plant No. 2 has been operated and proved efficient for fixing cheap atmospheric nitrogen.

The main consideration of the Ford proposal, in addition to the \$5,000,000, is the obligation to operate plant No. 2 at its maximum capacity, which is 40,000 tons of nitrogen per year, and to sell it for fertilizer purposes at a price not more than 8% above the "fair annual cost of manufacture." To insure that this provision will be carried out, a board is to be formed with seven of its nine members to be appointed by agricultural organizations, the American Farm Bureau, the National Grange and the Farmers' Union. Another consideration is to turn over the plant to the government in a running condition any time it might be needed for war purposes, and another is to continue investigation as to the cheapest and best methods of fixing nitrogen and the manufacture of fertilizers.

To make nitrogen cheaply there must be cheap power, and to get this power it is proposed to build two dams in the Tennessee river, estimated to cost from \$40,000,000 to \$50,000,000 and for which bonds are to be issued. Ford proposes to build these dams for the government without profit, and to lease them for 100 years, when they will be returned to the government. Ford's company will pay to the government 4% interest on the cost of completing both dams and make possible a sinking fund large enough to cover the entire cost of the dams by the end of the lease period.

Judging from a test run and other facts, it is fair to conclude that nitrogen, under this proposal, can be fixed and sold in the form of fertilizer at about five cents per pound. With 40,000 tons on the market at about this price, other forms of nitrogen would have to compete with this price, and the result would be that farmers would be able to buy nitrogen fertilizers at from a half to a third of former prices.

I think it is fair to Mr. Ford to say that he has expressed as an ideal the complete development of the nitrogen and power plants and to dedicate them to the farmers and the public as a public service institution, as a monument to his love of humanity.—*Extracts from article published in Prairie Farmer.*

Con

Arraour Fertilizer Company

Charles H. MacDowell, President

BRIEFLY Mr. Ford is asking the Government to loan forty or fifty million dollars for 100 years at a low rate of interest, in order that he may buy from the Government for five million dollars property worth sixteen millions to make forty thousand tons of nitrogen in a form now over produced and largely exported.

Mr. Ford's method will not cheapen nitrogen as compared with the coke oven method of making it, because they get theirs for practically no cost outside of the acid, whereas Mr. Ford would have to mine a lot of lime and coal, use transportation and power, and his costs would be greater.

We know today that the way to decrease the cost of the fertilizer to the farmer is to put a lot more fertilizer through the plants and cut the cost down. As it is now, there is too much overhead, and not enough going through. When you talk about Mr. Ford's materially cheapening it, I can not see how he can do it, but I can see how Mr. Ford could very seriously disturb the fertilizer industry. As you know, that is the easiest thing in the world to do with any industry, if you have power enough to come in and do it, but I do not see that he is offering anything that we do not already know.

I do not believe Mr. Ford could go ahead and make these concentrated fertilizers and sell them.

It is of interest to note that the present form of Mr. Ford's proposal provides for control of the price and distribution of fertilizer manufactured at Muscle Shoals by a board composed mainly of representatives of farmers' associations working with representatives of the new fertilizer company. The power of the board, which in its discretion can "make reasonable regulation for the sale of all or a portion of such products by the company to farmers, their agencies or organizations," seems to set aside certain provisions of the Clayton act and the Federal Trade Commission act. Price discrimination, sales discrimination and unfair competition, when authorized by this board for the products of this plant, appear to be no longer unlawful. What recourse then remains to a private company if damaged by discrimination or unfair competition induced by desire to further special interest or political ambition?

As to the Ford fertilizer proposal from a practical viewpoint: His fixed nitrogen would cost him much more than it costs the coke maker who supplies the fertilizer manufacturer. The coke man could undersell Mr. Ford's costs, and place the fertilizer maker on a competitive basis with him, and still obtain substantial credits on his coking operations. Mr. Ford would not need to have the Government build him an expensive power plant at Muscle Shoals to enable him to obtain his nitrogen needs at as low a cost as he can make it if he desires to go into the fertilizer business. The coke maker with his surplus and Chile with its nitrate supply can easily take care of Mr. Ford's prospective needs and save the Government this expenditure, only a small part of which goes into fertilizer manufacture.

The fertilizer industry is not opposed to the development of the Muscle Shoals water-power, but it questions the public policy of turning the power and its control over to an individual for as long a period as 100 years. Moreover, the fertilizer industry does not favor the Government's building new plants for private individuals to use for their personal advantage to compete unfairly with industries not so fortunately subsidized.

Will Ford Offer Benefit Farmer?

Pro

American Farm Bureau Federation

INTERESTS opposed to the Ford offer have testified that the greatest benefit from Muscle Shoals will be had if all of the power is distributed and sold to the public. We do not agree.

When Congress provided for the development of this water-power it was to serve to make nitrates suitable for explosives in time of war and useful for fertilizers and other useful products in time of peace. To broadcast the power and provide no plan for operating the nitrate plant is to ignore the purposes of Congress in undertaking the project.

But even if customers could be found, which is not the case, it cannot be denied that a great tonnage of cheap concentrated fertilizers made with this power and distributed directly to the farmers at a profit of not more than 8% will carry the benefits to the public not only in the Muscle Shoals region but far beyond the range of economical electric power transmission.

Opponents have also claimed that Mr. Ford would not have to make fertilizer at all unless he could do so at a profit of 8%. His offer, however, states that "the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products shall not exceed 8% of the fair actual annual cost of production thereof."

The testimony of the Judge Advocate General's office was that "The failure to make 8% profit or the failure to make any profit or the inability to manufacture this fertilizer at less than it is sold is not a 'cause beyond its control' and would not give him the right to cease the manufacture of the full amount of fertilizer."

The guarantee behind the Ford offer is that "upon acceptance the promises, undertakings, and obligations shall be binding upon the United States and jointly and severally upon the undersigned (Mr. Ford), his heirs, representatives and assigns and upon the company (to be formed by Mr. Ford with \$10,000,000 paid in capital), its successors and assigns."

There is a feature of the Ford proposal, moreover, that promises even greater national benefits than the manufacture of fertilizer. Under the Ford offer the development at Muscle Shoals remains the property of the people of the United States. It should be built by a Government 4% bond issue, the interest being guaranteed under the proposal and the bonds retired. At the end of the lease period all investment has been retired and the cost of the power has been relieved from the interest burden, because there will be no stock issued and the money invested will have been returned to the people of the United States.

Nearly 80% of the cost of hydro-electric power at the generating station is interest on the investment. If the power is developed by private funds under the Federal Water Power law, the interest rate would be eight or nine per cent and would continue as interest on the fair value of the property, even though the bonds were retired. This means that in a water-power costing \$200 per horse-power to construct, the interest at 8%, is \$16 per horse-power per year, the cost of all other items such as operation, taxes, maintenance and depreciation would be \$4.00, or a total cost for the power of \$20 per horse-power per year.

Under the Ford proposal plan the interest is cut to \$8 per horse-power per year, by using 4% money, and at the end of the lease period this interest burden is wiped out forever. This power therefore would cost \$12 per horse-power per year during the period of the lease and thereafter the total cost would be only \$4 per horse-power per year.

Con

The National Fertilizer Association

John D. Toll, Secretary

ONE misconception of the Muscle Shoals project is that Mr. Ford proposes to take off the hands of the Government a "white elephant" in the form of unproductive property, and pay the Government at least a certain amount of return on its investment. Mr. Ford does not propose to pay the Government any return whatever on its existing investment, but to require a further investment of large sums of Government money, only a part of which would ever be paid back into the public treasury. Instead of paying the Government something for the Muscle Shoals project, Mr. Ford's proposal appears as a scheme to get the Government to give him the property for less than junk value, and to pay him an annual subsidy at the expense of the taxpayers.

Another misconception is that, through the operation of the Muscle Shoals nitrate plant, the farmers would receive a plentiful supply of fertilizer at reduced prices. Neither Mr. Ford nor anybody else could make any fertilizer or fertilizer material through the use of the Muscle Shoals nitrate plant in time of peace, even with cheap water-power, except at a cost of production substantially greater than the present wholesale market price. The reason that no private capital stands ready to invest in the operation of the nitrate plant, without the aid of a subsidy such as Mr. Ford demands, is that such an operation could not result in anything except a loss.

Like any other industry, the fertilizer industry can be destroyed by Government competition or Government-subsidized competition. It makes no protest against completion of the water power, and its operation by private interests under the provisions of the Federal Water Power Act, to which every other water-power development is subject. Nor do we object to the operation of the nitrate plant by Mr. Ford or any other responsible private interest, unless aided by Government subsidy.

We do protest most vigorously, however, against any socialistic plan of Government operation such as was defeated by Congress, or any plan by which a subsidy out of the public treasury would be given to a private capitalist to enable him to compete on specially favorable terms against the existing fertilizer industry.

The most favorable possible interpretation of the Ford proposal, which is admittedly vague in some of its terms, shows that the Government's monetary loss would be \$984,935,000 covering the period of the 100-year lease. This is the subsidy Mr. Ford requests out of the public treasury as a condition of his operation of the nitrate plant in competition with the existing fertilizer industry.

What Mr. Ford desires is not a nitrate plant, but water power. As Gifford Pinchot points out—"the Ford plan is one part fertilizer and seven parts water-power." To obtain the water-power under a lease violating the principles of the Federal Water Power Act, Mr. Ford agrees to make fertilizer and holds out to the farmers a promise of reduced prices.

Realizing, no doubt, that the only way this promise can be executed is by operating the nitrate plant at a loss, he demands a heavy Government subsidy. If it be given him, then a precedent shall be set in favor of the Government competing indirectly with private industry by subsidizing out of the public treasury a private manufacturing operation.

Let no one think this precedent, once made, will not be followed in other industries. It is a move toward state socialism that must be defeated, not only to save the fertilizer industry, but to save our industrial system from destructive attacks.

Will Ford Offer Benefit Public?

Pro

Tennessee River Improvement Association

THERE is a phase of this case at Muscle Shoals to which I would like to call particular attention. The Chicago, Milwaukee and St. Paul Railroad Company operate a total of 646 miles by electricity. They estimate that their electric operations save annually about 260,000 tons of coal and about 32,000,000 gallons of oil. If all the railroads of the United States were electrified and that electric power was derived entirely from water power the saving would total the enormous sum of 122,000,000 tons of coal, or about 25 per cent of the total maximum output of all the bituminous coal mines of the United States. If Mr. Ford's offer is accepted and nothing else came out of this proposition at Muscle Shoals but an example of how cheap hydro-electric power may be developed for the electrification of the railroads, that alone would be a lesson of value beyond calculation to the interests of the United States.

In regard to the 100 years, there has been a great misunderstanding of that matter. The Tennessee river program is out of the usual class and clear out of any 50-year period. You may find that there are those who will offer to take it on 50 years, but they have no such program as Henry Ford. Take the Little Tennessee River. The Aluminum Co. of America has practically controlled the power development on that stream. The period that the American Aluminum Co. of America controls this river is perpetual. Just what is the common sense in saying that when the water of the Little Tennessee River serves the Aluminum Co. of America at Alcoa in the production of aluminum, it is without limit, and when the same water gets into the Tennessee River and runs down the Tennessee and gets to Hales Bar, 27 miles below Chattanooga, it there becomes 99-year water; and then when it gets to Muscle Shoals it is 50-year water? If there had been any other falls lower down toward the Ohio, no doubt it would have gone to the vanishing point. In all common sense, that absolutely blows up that whole contention.

The unfairness of a 50-year lease period to Mr. Ford is evident when one examines the conditions under which the large water-powers of this country have been developed. There is not a water-power development of, say 50,000 horsepower or more, on a single inland stream in the United States which does not have a lease period of at least 99 years, and the great majority of them are perpetual.

Are not the farmers consistent and do they not show good business judgment in being themselves willing for Mr. Ford to have Muscle Shoals for 100 years, when Mr. Ford agrees that the farmers' organizations may name a board to control and to regulate his cost of production and see to it that he does not charge more than 8% profit? If the farmers were offered their machinery by the harvester machinery makers at 8% profit, if they would agree to a 100-year contract, would not they cheerfully and quickly accept? And, if the farmers could contract their wheat for 100 years at a good profit, a profit satisfactory to them, would they turn the offer down because the buyer would not agree to 50 years instead of 100 years? If 8% profit on their fertilizer purchases may prove a valuable thing to the farmer as against the exorbitant prices they have been paying for half a century, is it not most reasonable that they would agree to 8% profit for a century?

Con

Francis E. Frothingham

Vice-President Coffin and Burr, Investment Bankers

MR. FORD has made a proposition to the Government, that I believe if made by any one else, would have instant and final repudiation from one end of this country to the other. Many misstatements have also been made on his behalf, and he has allowed to go unrepudiated wild and visionary pictures of what he would accomplish if his bid is accepted that challenge one's every sense of realities.

The Ford offer sets at naught the principles of the Federal Water Power Bill, and asks for a 100-year lease with preferential rights in connection with renewal for a second hundred years, and demands those rights free from any regulation whatsoever. That would be creating a private monopoly in perpetuity, which is repugnant to every principle of free government and equality of opportunity. The government is asked to pay the cost, not only of completing the Wilson Dam and power plant to a capacity of 600,000 h. p., but of developing dam site Three to 260,000 h. p. Dam site Three belongs to the Alabama Power Company. Mr. Ford pays interest on these expenditures of some \$50,000,000, and sets aside a sum which if it compounds at 4 per cent will in 100 years repay this advance. He also makes other small payments. Then he offers to pay for nitrate plants One and Two, the Waco Quarry, the 80,000 h. p. steam plant near nitrate plant Two, the 30,000 h. p. installation made at Government expense in the Gorgas steam plant, and the 85-mile transmission line and sub-stations connected therewith, all of which cost the Government some \$90,000,000, \$5,000,000. He seems indifferent to the fact that the Gorgas site and plant was built before the war and belongs to the Alabama Power Company, as does the right of way for the transmission line, and that the machinery the Government installed at the Gorgas plant as well as the transmission line, it is under specific pledge, as well as moral obligation, to allow the Alabama Power Company to buy at a fair value (not scrap value) to be determined by arbitration. The Government made use of this steam plant and property of the Alabama Company because it could thereby save much precious time in getting needed power. It is absurd that Mr. Ford should assume that the Government will violate all property rights and governmental obligations and turn over to him a plant laboriously built in the public interest by the Alabama Power Company, merely because it is more efficient and he wants it.

Mr. Ford only undertakes to exercise his best endeavor to manufacture fertilizer or to find a way to do so, if he can do so at a profit of 8 per cent. On this slender reed rests all the farmers' clamor that Mr. Ford be given this Muscle Shoals opportunity as an unregulated monopoly on terms the equivalent of heavy Government subsidy of private industry.

I believe the Alabama Power Company is the servant to be used, and that acceptance of Mr. Ford's proposition would profoundly disturb sound business for a long time. In saying this I want to pay every tribute to Mr. Ford's great manufacturing ability.—*Extracts from Article in "The Banker and Financier."*

Editorial Views on the Ford Offer

Pro

Philadelphia Public Ledger

"WHY FORD OFFER STIRS HORNET'S NEST."

SUPPOSE you were making aluminum by the pound and selling it by the pound, and a new competitor promised to make it by the carload and sell it by the ton; or if you were in the electric steel business and a man announced plans for making such steel by the trainload and selling it in car lots; or in the fertilizer business where the sources of available nitrates are in your grip in the shape of Chilean nitrate bed concessions and you are putting out a fertilizer that is 14 per cent useful and 86 per cent "filler," what if you faced competition with a product containing 75 per cent of useful plant food at a price cut so low that you shuddered at the mention of it; or suppose you had much money in hydro-electric development and an outsider stepped in threatening to pay better wages and extend developments; suppose you were in the coal or coking industry; or interested in a railway that hauled coal and phosphate rock, and a pair of new dams in a river was about to divert much heavy tonnage from cargo to barges, all of which are on the Ford program and are all suppositions by way of indicating the industrial, commercial and financial hornets' nest stirred up by Henry Ford's dream of industrial empire at Muscle Shoals.

Ford proposes to take, with government consent, "cheap money" and "favorable lease conditions" and with these develop mighty water-powers in the center of a great region stuffed with lime and phosphate rock dotted with coking plants and hills full of coal beds. From water-power, coke and rock he plans to create four great matters—nitrogen fixation, electric furnace development, navigation and transportation improvement.

Nitrogen fixation means cheap, concentrated fertilizers in large tonnage and for this the cotton and corn belts will rise up and call him blessed. Chilean nitrate's grip will be loosed and there will be more crops with less labor, greater earning capacity per man and farm, a mighty encouragement to the man between plow handles. Ford offers cheap, large-scale explosive production in wartime, absolute independence of Chile and the banishing of that nightmare of some disaster to the Panama Canal cutting us off from our raw explosive material supply.

Electric furnace development means improved steel production, help to building and industry, and still more help to farmers through a cheap nitrogen, phosphoric acid, and perhaps potash fertilizer. Out of electric furnaces he proposes vast production of light metals, steel, aluminums, and poison-gas materials, with resulting military preparedness and sounder national security. With this come cheaper and wider use of motor cars and their cheaper operation.

Navigation improvement of the Tennessee river will make it possible for the coal, fertilizers, raw rock phosphates, light metals, acids and gases to move to farms and factories in the Mississippi basin or to the sea by boat. Ford's idea is to make use of the inland rivers, to trace a national policy in which waterways are paid for by water-power and to offer cheap hauling to a great section of America. The transportation end of the scheme looks to the coming electrification of railroads and mines, giving greater rail revenue capacity at less cost and greater earning capacity per man, car and mine.

All this helps to explain why it is that so many corporations that were nonchalantly poohpoohing Muscle Shoals a year ago are now shouting that Ford is a false alarm, that he will fail at Muscle Shoals, and why, at the same time, some of them are hurrying in bids.

Con

New York Herald

"A CRAZY BUSINESS."

SECRETARY WEEKS, the clear thinker and sound business man, has exploded the fiction that the United States Government is asked to sink \$50,000,000 more in the Muscle Shoals project for the benefit of the American farmer.

In the first place, Secretary Weeks tells Congress, there is nothing in the contract proposed by Henry Ford to compel him to make nitrates for fertilizer in a given quantity for a given number of years or to make any nitrates at all at any time whatever.

In the second place, even if there were a guaranty in the contract for the production of any considerable quantity of the nitrates over a period of years it could not do much of anything for the farmer in the way of actually producing the nitrates either at cheap prices or at dear prices for the good and sufficient reason that the plant, even after the fifty millions more of the American taxpayers' money were poured into it, would not have a nitrate production capacity to exceed at the outside 200,000 tons a year, while the total quantity of nitrates needed for fertilizer used by the farmers of the United States is from 7,000,000 to 8,000,000 tons a year. The most that the Muscle Shoals project could do to help the farmers, therefore, even if productions were forced to the limit of capacity, would not be a drop in the bucket.

It would be a crazy scheme for the Government to spend fifty millions more of the national taxpayers' money on the Muscle Shoals project under the guise of getting plenty of nitrate fertilizer and cheap nitrate fertilizer for the American farmers when there is no possibility, as a cold, hard fact, of getting the needed fertilizer product out of the scheme ever.

St. Louis Times

"WEEKS AND THE FORD OFFER."

SECRETARY OF WAR WEEKS is not enthusiastic over Henry Ford's "liberality" in the proposals made by the motor car manufacturer for taking over Muscle Shoals. Perhaps Mr. Weeks does not read regularly the literature in praise of Mr. Ford's magnanimity toward Uncle Sam, gratuitously sent out by his own publicity bureau. Or possibly the Secretary of War, comparing this literature with the contract submitted to him in the Muscle Shoals proposal, has his private opinion on the subject.

It must be apparent to the public, as undoubtedly it is to Secretary Weeks, that Mr. Ford is offering the Government a good business proposition for Mr. Ford. The fact that he, almost alone among the country's big men of industry, is able at this time to finance the project, does not visibly give a patriotic aspect to his attitude. There are many other shrewd bargainers who are taking advantage of present opportunities to turn a profitable deal through their ability to finance it when the majority of business men are sailing close to the wind.

Whether he gets the Muscle Shoals property or not, the Ford course is a money maker. It has been invaluable advertising thus far—at little or no cost. The Pillsburys and the Ingersolls and the Hills and the Huylers and the multitude of other alert business people of the country overlooked a fine opportunity for endless publicity when they permitted Mr. Ford to get in his offer ahead of any they might as well have made. They perhaps, could not have carried the matter through—but, neither has Mr. Ford, thus far.

A Digest of the "Congressional Record"

Official Publication of the United States Congress

Debate and Action in the Senate and House in September

The second session of the 67th Congress adjourned sine die on September 22, 1922

Senate

FRIDAY, SEPTEMBER 1.

DEBATE:

The Winslow-Cummins anti-profiteering coal bill (H. R. 12472) was discussed following the temporary withdrawal by Sen. Borah* of his coal commission measure.

Sen. Underwood* (Ala.) approved the anti-profiteering coal bill and urged enactment of legislation that would meet the railroad situation.

ACTION:

Passed the Anthony bill (H. R. 12493) amending the act of June 30, 1922, making appropriations for the military and non-military activities of the War Department for fiscal year ending June 30, 1923.

SATURDAY, SEPTEMBER 2.

ACTION:

Passed the *Pomerene* Corrupt Practice bill (S. 3603) regulating campaign expenditures of candidates for election to the Senate and House. The bill is applicable to the general election only and not the primaries, limiting the expenditures of a senatorial candidate to \$10,000, and to the House, \$5,000.

TUESDAY, SEPTEMBER 5.

DEBATE:

Sen. Cummins spoke at length on his bill, the anti-profiteering coal bill (H. R. 12472), giving the Interstate Commerce Commission power to regulate coal distribution and prevent coal profiteering through granting of priority orders and imposition of embargoes.

An amendment by Sen. Sutherland that would require the commission to grant cars to operators to fill contracts previously made precipitated vigorous opposition on the ground that it would nullify the intent of the proposed enactment.

Sen. Kellogg (Minn.) charged that some coal operators in several states already are taking advantage of the present situation to profiteer, and urged an amendment directing the commission to give preference in car movement to mines which sold coal at a fair price.

Sen. Reed (Mo.) suggested an amendment to the pending coal bill under which all operators and dealers would be required to make monthly price reports showing the cost of production and the average profit made.

Discussing the cotton situation, Sen. Smith (S. Car.) proposed a one-year suspension of cotton planting in the U. S. as a means of eliminating the boll weevil and predicted the wholesale abandonment of cotton farms throughout the South unless governmental action were taken to aid in destruction of the weevil.

WEDNESDAY, SEPTEMBER 6.

DEBATE:

Sen. Robinson (Ark.) in an address, declared the temporary injunction in the railway strike to be violative of both the Constitution and the Clayton act.

Sen. Watson (Ind.) declared the injunction was not a denial of a right to strike, but an injunction against a conspiracy to obstruct interstate transportation and the mails.

Final vote on the Cummins coal anti-profiteering bill could not be taken because a quorum was lacking.

ACTION:

After several hours of debate rejected the Sutherland amendment which would have made the legislation ineffective against coal contracts entered into prior to September 1. Debate on the bill centered around the question of constitutionality. The strongest opposition came from Senators Reed (Pa.), and Sutherland (W. Va.).

THURSDAY, SEPTEMBER 7.

DEBATE:

Immediately upon disposition of the Cummins measure the House fact-finding coal commission bill was taken up.

Sen. Dial (S. Car.) offered an amendment under which the members of the commission would be chosen according to geographic divisions and with not more than three from same political party.

Sen. Reed (Pa.) opposed the amendment, declaring the anthracite situation in 1923 depended upon the proper solution of the pending

problems and the President's hands ought not to be tied by any restriction.

Sen. Sterling (S. Dak.) spoke at length in opposition to any plan looking to the nationalization of the mines; Sen. Stanley (Ky.) opposed the bill in its entirety, and Sen. Walsh (Mass.) vigorously supported the measure.

ACTION:

After rejecting the Dial amendment, passed the Cummins anti-coal profiteering bill by a vote of 40 to 7, with three senators paired, voting present to provide the necessary quorum.

Sensors Cummins and Kellogg and Smith were named conferees.

FRIDAY, SEPTEMBER 8.

ACTION:

Agreed to the conference report on the additional judges bill.

Rejected an amendment to the Borah fact-finding coal commission bill by Senator Dial (S. Car.) eliminating the provision directing the commission to make a study of the "advisability or wisdom" of nationalization of the coal industry.

Passed H. R. 12377, the coal commission bill.

Sen. Borah and Sterling and Walsh (Mass.) appointed conferees.

Passed the Bursum general pension bill authorizing an increase in the pensions of veterans of the Mexican and Civil wars to \$72 a month, an increase in the pensions of widows more than 62 years of age from \$30 to \$50 a month, and an increase in pensions of army nurses from \$30 to \$50 a month, all effective the first day of the month after approval of the act.

SATURDAY, SEPTEMBER 9.

ACTION:

The Senate worked under the unanimous consent agreement and 165 unobjected bills were passed.

Passed the Cable bill (H. R. 12022) providing that American women marrying aliens shall not lose their citizenship unless they formally renounce it.

Passed a bill (S. 3918) requested by the Department of Justice to aid in the prosecution of war fraud cases, authorizing the department to bring suits in Federal districts where any one of several defendants resides and the bringing of other defendants and witnesses to such district.

Passed the McNary resolution (S. Res. 341) authorizing the agricultural committee to investigate the feasibility of government crop insurance for farmers.

Passed House bill (H. R. 9495) authorizing Secretary of the Interior to cooperate in the states or with private owners of timber in protecting timber upon public lands or in national parks from fire, disease, or insects.

Passed a bill (S. 3633) authorizing the coinage of a new 50-cent piece to commemorate the 100th anniversary of the birth of President Hayes.

Passed a bill (H. R. 7544) authorizing the Postmaster General as a disciplinary measure to "reduce the pay" of rural carriers instead of "suspension without pay."

MONDAY, SEPTEMBER 11.

DEBATE:

The Liberian loan bill (S. J. Res. 270) was attacked by Sen. Borah (Ida.); defended by Sen. Curtis (Kans.).

Sen. Borah offered an amendment to the Liberian loan bill appropriating \$20,000,000 for reclamation work, asserting that if the U. S. had money to lend it would do a better service to utilize it for the advantage of its own people.

Supporting the attitude of the State Department, Sen. Curtis said there existed a moral obligation to make the loan in conformity with pledges by the previous administration.

ACTION:

Passed a bill (H. R. 9270) giving magistrates and courts of Porto Rico equal powers with U. S. Federal courts and commissioners in enforcing the Volstead law in the island.

Passed the river and harbor development bill (H. R. 10766) after amending it to provide for Federal acquisition of the Cape Cod, Mass., and Dismal Swamp, Va., and North Carolina canals. It authorizes a total expenditure of \$45,000,000 and affects approximately 40 projects.

*Republicans in roman type; Democrats in italics.

THE CONGRESSIONAL DIGEST

Senate (cont'd)

TUESDAY, SEPTEMBER 12.

DEBATE:

Sen. Borah continued his fight on the Liberian loan bill, which finally went over without action.

Sen. Harrison (Miss.), Sen. Glass (Va.) and Sen. Watson (Ga.) attacked Liberian loan bill and commended attitude of Sen. Borah.

ACTION:

Agreed to House amendments to the two measures designed to aid in the prosecution of war fraud cases, under which the Supreme court of the District of Columbia would be given equal jurisdiction with other Federal courts.

WEDNESDAY, SEPTEMBER 13.

DEBATE:

There being no quorum in attendance, no attempt was made to proceed with consideration of the Liberian loan bill.

Sen. Heflin (Ala.) made a two-hour speech in condemnation of W. P. G. Harding, chairman of the Federal Reserve Board.

ACTION:

Adopted the conference report on the China trade bill (H. R. 4810) providing for Federal incorporation of American companies to do business in China with domestic tax exemptions and other privileges designed to foster American commerce in the Orient.

THURSDAY, SEPTEMBER 14.

ACTION:

Adopted the amendment of Sen. Borah to the Liberian loan bill appropriating \$20,000,000 for completion and development of western reclamation projects by a vote of 26 to 23.

A motion by Sen. Ashurst (Ariz.) to strike out authorization of the Liberian loan, was rejected by a vote of 28 to 23.

After only 15 minutes' debate and without a record vote passed the Capper-Tincher bill, designed to meet the decision of the Supreme Court, holding inoperative certain sections of the law regulating trading in grain futures.

FRIDAY, SEPTEMBER 15.

DEBATE:

Sen. Harrison (Miss.) made a point of order that the conferees on the Soldier Bonus had exceeded their authority in eliminating the land reclamation option and sought to have the measure sent back with instructions.

A point of order was made against the Harrison proposal and sustained, and upon an appeal being taken the ruling of the chair was approved by a vote of 33 to 21.

Sen. Simmons (N. Car.) said if he felt sure those Republicans who voted to put the McNary-Smith land reclamation amendment in the bill would stand with him and other Democrats he would move to send the measure back to conference with instructions.

When Sen. McNary was asked if he had "abandoned" his amendment, he replied it would be "fruitless" to insist further.

ACTION:

Adopted the conference report on the soldiers' bonus bill by a vote of 36 to 17, and the measure now goes to the President.

SATURDAY, SEPTEMBER 16.

DEBATE:

Senators Sutherland (W. Va.) and Reed (Pa.) and Underwood (Ala.) opposed the conference report on the anti-profiteering coal bill and Sen. Kellogg (Minn.) spoke in its support.

Immediately after the conference report on the tariff bill was called up, Sen. Simmons (N. Car.) made a point of order that the conferees exceeded their powers by proposing authority for the President to declare American valuation as the basis for collection of duty on any item in the bill, when the Senate by direct action had limited such authority to specific items.

Minority Leader Underwood supported the position taken by Sen. Simmons, while Senators McCumber and Lenroot argued that the conferees were within their rights, as the question of the method of assessing duties was in dispute between the Senate and House.

President pro tempore Cummins at the conclusion of an hour's discussion announced he would take the question under advisement.

ACTION:

Adopted the conference report on the administration anti-profiteering coal bill by a vote of 37 to 12, and the bill was then sent to the President.

MONDAY, SEPTEMBER 18.

DEBATE:

President pro tempore Cummins overruled point of order by Sen. Simmons (N. Car.) that the tariff conferees exceeded their authority in granting the President power to proclaim American valuation in any item if he found it necessary adequately to protect American

industries. An appeal was taken from the decision of the chair, but the ruling was sustained.

TUESDAY, SEPTEMBER 19.

DEBATE:

Opposing the tariff measure in an extended speech, Minority Leader Underwood predicted that the flexible tariff provisions would be held unconstitutional.

Sen. Smoot denied the claim of Sen. Underwood that the measure would erect a tariff wall around the United States, declaring that it would afford merely reasonable protection to American industry and labor.

Sen. Simmons ranking minority member of the committee, continued his speech in opposition to the bill; Sen. Harrison (Miss.) spoke in opposition, and Sen. Bursum (N. Mex.) spoke in support of the bill.

ACTION:

Adopted the conference report on the tariff bill by a vote of 43 to 23, exactly one year eight months and thirteen days after work was started on the measure in the House.

Five Republicans—Borah (Ida.), Cameron (Ariz.), Cummins (Ia.), and La Follette and Lenroot (Wis.), voted against the bill, while Senators Broussard and Ransdell (La.) voted for it.

Passed a joint resolution designed to correct an error in the enrollment of the paragraph of the sugar schedule relating to black strap molasses.

Adopted the conference report on the rivers and harbors bill, agreeing to the action of the House reducing the appropriation for the purchase of the Cape Cod canal and rejecting the proposed purchase of the Dismal Swamp canal.

WEDNESDAY, SEPTEMBER 20.

DEBATE:

Action on the veto was prefaced with general discussion, in which Sen. Reed (Mo.) took a leading part, urging passage of the measure over the veto, and John Sharp Williams (Miss.) supporting the President's action.

ACTION:

Sustained the President's veto of the soldiers' bonus bill by a vote of 28 to 44. Passage over the veto requiring a two-thirds vote, the vote to sustain as cast was three more than necessary.

THURSDAY, SEPTEMBER 21.

DEBATE:

Owing to determined opposition and a disposition to debate, the Liberian loan and the Dyer anti-lynching measures will go over to the coming short session.

Sen. Bursum (N. Mex.) introduced another soldiers' bonus bill which would provide for payments of \$20 a month (equal to the bonus paid civilian employees of the government) for each month of service together with the return of all compulsory allotments made by service men and payments made on account of government insurance. No provision is made for financing the bonus.

ACTION:

Passed the first deficiency bill (H. R. 12704) for the current fiscal year, carrying a total of \$2,831,542, which is \$2,270,100 greater than as passed by the House.

The Senate added \$200,000 for relief of Americans in Smyrna, \$170,000 for 35 additional locomotive boiler inspectors for the staff of the Interstate Commerce Commission, \$180,000 for the expenses of the mixed commission on war claims and \$200,000 for the proposed fact-finding coal commission.

FRIDAY, SEPTEMBER 22.

DEBATE:

President Harding arrived at the Capitol at 1:45 p. m. and signed measures that reached him during the closing hours.

Speaking briefly on the achievements of the session, Sen. Smoot (Utah) declared that no Congress "has ever enacted a greater percentage of legislation promised by its party."

Sen. Harrison (Miss.) pictured the session as "the most reactionary Congress since the time of Aldrich and the most subservient to executive dictation since the days of Roosevelt."

Sen. McKellar (Tenn.) attacked the President's veto of the bonus bill, and Sen. Sutherland (W. Va.) voiced a protest against adjournment without action on the anti-lynching bill.

ACTION:

Adopted conference report on the deficiency appropriation bill after eliminating the item of \$170,000 for the employment of 35 additional locomotive boiler inspectors.

Passed a House bill under which disabled former service men who are either legless or armless are allowed \$50 a month for employment of extra attendants in addition to the payments authorized under the war risk act.

THE CONGRESSIONAL DIGEST

House

FRIDAY, SEPTEMBER 1.

ACTION:

Soldier bonus bill was sent to conference under a special rule and with but little discussion.

Passed a bill (H. R. 11492) to authorize the sale of surplus army and navy supplies in small quantities to the Boy Scouts of America. A number of miscellaneous bills on the calendar were taken up and passed.

SATURDAY, SEPTEMBER 2.

Not in session.

TUESDAY, SEPTEMBER 5.

Chairman Campbell, of the rules committee, announced there was nothing to be taken up until the conference report on the tariff bill was ready.

WEDNESDAY, SEPTEMBER 6.

No business of any kind was transacted.

Democrats forced a roll call on the motion to adjourn, showing 74 less than a quorum in attendance.

THURSDAY, SEPTEMBER 7.

Met at noon and adjourned at 12:15 p. m.

FRIDAY, SEPTEMBER 8.

Not in session.

SATURDAY, SEPTEMBER 9.

Not in session.

MONDAY, SEPTEMBER 11.

ACTION:

By a vote of 139 to 77 approved conference report on the additional judges bill (H. R. 9103) and sent the measure to the White House. Under the bill the President is authorized to appoint 25 additional Federal judges.

Passed two Senate bills (S. 3917) and (S. 3918) to aid in the prosecution of war fraud cases. The bills would give any district court jurisdiction over witnesses anywhere in the United States and give the government the right to elect the trial court of any cases by the residence or location of any one of the persons accused.

TUESDAY, SEPTEMBER 12.

ACTION:

Conference report on the tariff bill was presented to the House. Rivers and harbors development bill was sent to conference after an agreement that the House would have an opportunity to vote on Senate amendment providing for the purchase of the Cape Cod and the Dismal Swamp canals.

WEDNESDAY, SEPTEMBER 13.

DEBATE:

Following four hours of general debate on the conference report on the tariff bill, on motion of Representative Garner (Tex.), the measure was sent back to conference, with instructions to the House conferees to eliminate the dye embargo and restore potash to the free list. The vote was 177 to 130 and the announcement was received with applause from both sides of the chamber.

Early in the discussion Speaker Gillett overruled a point of order by Representative Fish, of New York, that the conferees exceeded their authority in writing the dye embargo back into the bill after both the Senate and House had rejected it.

An appeal was taken from the decision of the chair, and on motion of Majority Leader Mondell the appeal was laid on the table by the narrow margin of 150 to 147 votes.

The time for general debate was evenly divided between the two parties, and many partisan speeches usual in such a discussion were made.

Conference report on the soldier bonus bill was presented by Chairman Fordney.

THURSDAY, SEPTEMBER 14.

DEBATE:

Majority Leader Mondell sought to send the soldiers' bonus bill back to conference for reinsertion of the land settlement provision, but his point of order that the conferees had exceeded their authority in striking out that provision was overruled by Speaker Gillett.

Chairman Fordney and Mr. Mondell made the principal speeches in support of the bonus and there was no speech in opposition.

ACTION:

Without a record vote the conference report on the soldier bonus bill was adopted and sent to the Senate. With final action on the conference report in that body the measure will be sent to the President.

FRIDAY, SEPTEMBER 15.

ACTION:

Adopted the second conference report on the tariff bill by a vote of 210 to 90. The conferees had restored potash to the free list and struck the dye embargo from the bill.

In lieu of the embargo the rates of duty on dyes and synthetic chemicals and medicines, the products of coal tar, were increased and based upon the American valuation.

By a vote of 228 to 70 adopted the conference report on the administration coal distribution and anti-profiteering bill, which then went to the Senate.

Accepted Senate amendments to the Capper-Tincher bill (H. R. 11843) regulating transactions on exchanges dealing in grain futures, which then went to the President.

SATURDAY, SEPTEMBER 16.

ACTION:

The House refused to agree to the compromise proposal for the Cape Cod canal, rejected outright the proposed purchase of the Dismal Swamp canal, accepted the Senate amendment cutting down the ultimate expenditure on the East river project, New York, and then sent the rivers and harbors bill back to conference.

MONDAY, SEPTEMBER 18.

ACTION:

By a vote of 174 to 50, authorized the Federal reserve bank of St. Louis to erect a building at a cost not to exceed 25 per cent of its paid-in capital stock and surplus. Senate provision including Salt Lake City was eliminated.

Senate resolution giving consent to a compact between Missouri and Kansas for operation of waterworks plants in Kansas City, Kans., and Kansas City, Mo., was agreed to.

Passed and sent to the President a bill extending for three years the time in which the North River Bridge Company may construct a \$150,000,000 bridge across the Hudson river connecting New York City and Jersey City.

Passed Senate bill amending national guard provisions of the national defense act to embody recommendations made by the adjutants general of the several states. Bill then went to President.

Passed Senate bill appropriating \$185,000 to complete acquisition of real estate at Middletown, Pa., intermediate depot and \$575,000 for acquisition of land at the inland warehouses, Philadelphia.

TUESDAY, SEPTEMBER 19.

Received the President's message vetoing the soldiers' bonus bill.

ACTION:

Passed the first deficiency bill (H. R. 12704) for the fiscal year 1923, carrying a total of \$560,688.

Adopted the conference report on the bill amending the act for the retirement of employees in the classified service by reducing the minimum age of retirement from 60 to 55 years.

WEDNESDAY, SEPTEMBER 20.

ACTION:

Passed the soldiers' bonus bill over the President's veto by a vote of 258 to 54, which was 50 more than the necessary two-thirds.

Action was taken without debate. Of those voting to override the veto, 188 were Republicans, 69 were Democrats and 1 Socialist. In voting to sustain the veto there were 35 Republicans and 19 Democrats.

Passed and sent to the Senate a joint resolution providing for adjournment of the session sine die on Friday, September 22, at 2 p. m.

THURSDAY, SEPTEMBER 21.

DEBATE:

Referring to the new tariff law, Chairman Fordney told the House it should not increase costs to the consumer to any extent, and declared that those taking advantage of the new law to increase retail prices would be profiteers and should be prosecuted.

FRIDAY, SEPTEMBER 22.

DEBATE:

Rep. Blanton (Tex.) condemned attempts to impeach the Attorney General for seeking an injunction against striking railway employees and criticized the absence of defense of Attorney General Daugherty by House Republicans.

Rep. Edmonds (Pa.) replying, charged discrimination on the part of the British against American ships and that "all British consuls are representatives of commercial concerns," doing the very things that were charged against the American consul at Newcastle.

An amendment to the Constitution which would permit a nationwide referendum on the sale of 5 per cent beer, with provision that the receipts from taxes from that source be applied to payment of a soldier bonus, was proposed and discussed by Rep. Brennan (Mich.).

New Public Laws

Complete List of Public Bills and Resolutions Passed by 67th Congress during
Second Session, Dec. 5, 1921–Sept. 22, 1922*Laws Became Effective on Dates Given Below*

Public Health and Education

- S. J. Res. 140. Tuition of Indian children in schools of Montana. February 13, 1922. Public resolution No. 38.
 H. R. 2193. Prohibiting exportation or importation of opium and cocaine for other than medicinal purposes. May 26, 1922. Public law No. 227.
 H. R. 9814. Educational leave for employees of Indian Service. August 24, 1922. Public law No. 287.
 H. R. 11589. Transfer of property of leprosy investigation station in Hawaii. September 21, 1922. Public law No. 330.
 S. 3540. Fixing fees of examining surgeons in Pension Bureau. September 22, 1922. Public law No. 352.
 H. R. 9499. Exchange of lands in Idaho for school purposes. September 22, 1922. Public law No. 341.
 S. 3641. Granting certain lands to Florida for school purposes. September 22, 1922. Public law No. 338.

Foreign Relations

- S. 2708. To transfer Army medical and surgical supplies to American Relief Expedition in Russia. January 20, 1922. Public law No. 129.
 H. R. 8762. Funding of foreign debts. February 9, 1922. Public law No. 139.
 S. 1077. Paying sum to Japan for death of Torahachi Uratake. April 27, 1922. Public law No. 201.
 H. J. 263. Cemeteries for American military dead in Europe. April 1, 1922. Public resolution No. 44.
 S. J. Res. 160. Extending time for payment for flour purchased by Austria from U. S. Grain Corporation. April 6, 1922. Public resolution No. 46.
 H. J. Res. 268. Extending operation of act limiting immigration of aliens. May 11, 1922. Public resolution No. 55.
 S. J. Res. 173. Commission to represent United States at Brazil exposition at Rio de Janeiro in 1922. June 15, 1922. Public resolution No. 59.
 S. J. Res. 7. Depositaries of public moneys in foreign countries. June 19, 1922. Public resolution No. 61.
 H. J. 11396. To regulate foreign commerce in the importation of the adult honeybee. August 31, 1922. Public law No. 293.
 S. J. Res. 169. Admission of Willem van Doorn, a subject of the Netherlands, to Naval Academy. September 18, 1922. Public resolution No. 72.
 H. R. 4810. To promote trade in China. September 19, 1922. Public law No. 312.
 H. J. Res. 322. Favoring establishing in Palestine a national home for Jewish People. September 21, 1922. Public resolution No. 73.
 S. 2716. Licenses for salesmen in foreign trade. September 22, 1922. Public law No. 349.
 H. R. 9548. Relief for Russian people. December 22, 1921. Public law No. 117.

Soldier and Sailor

- H. R. 7204. Water-service system for Fort Monroe Military Reservation. January 11, 1922. Public law No. 125.
 H. J. Res. 30. Preferred right of entry to homesteads for soldiers and sailors. January 21, 1922. Public resolution No. 36.
 S. J. Res. 124. Nonexportation of war materials. January 31, 1922. Public resolution No. 37.
 H. R. 8924. Prolonging course one year at Military Academy. February 25, 1922. Public law No. 155.
 S. 2774. Funds allotted to National Guard to be available for services and supplies of animals. March 1, 1922. Public law No. 161.
 S. 2492. Clothing and equipment for Army. March 8, 1922. Public law No. 168.
 H. R. 7158. Acquisition of real estate for Military Establishment. March 8, 1922. Public law No. 169.
 H. R. 5013. Secretary of Navy to sanction certain titles on memorials. March 8, 1922. Public law No. 164.
 S. J. Res. 125. Continuing military status of deserters during World War. March 8, 1922. Public resolution No. 41.
 H. R. 8815. Final proof of entry on homesteads by World War Veterans. April 7, 1922. Public law No. 188.
 H. R. 9633. Absence from homesteads for wounded soldiers. April 6, 1922. Public law No. 187.
 H. R. 10297. Extending time for issuance of medals of honor to soldiers and sailors. April 7, 1922. Public law No. 190.
 H. R. 10864. Hospital facilities for disabled soldiers. April 20, 1922. Public law No. 194.
 H. R. 10429. Credits to certain disbursing officers. April 21, 1922. Public law No. 195.
 H. J. Res. 274. Commissioning midshipmen in Marine Corps. April 25, 1922. Public resolution No. 51.
 H. R. 11547. Appropriation for hospital facilities for war veterans. May 11, 1922. Public law No. 216.
 H. R. 241. Right of way on Fort Sheridan Military Reservation. June 6, 1922. Public law No. 232.
 H. R. 10972. Readjustment of pay of Army and Navy. June 10, 1922. Public law No. 235.
 S. 1880. Appointing Herbert Warren Hardman captain in Army. June 26, 1922. Public law No. 252.
 H. J. Res. 313. Disposal of articles produced by patients of Veterans' Bureau. June 26, 1922. Public resolution No. 63.
 H. R. 11214. Limiting naval armament (scrapping bill). July 1, 1922. Public law No. 268.
 H. R. 11228. Navy Department appropriation bill. July 1, 1922. Public law No. 264.
 H. R. 11588. Hospital for disabled soldiers. July 1, 1922. Public law No. 273.
 H. R. 11699. Relating to appointment of Chief of Staff of Army. August 28, 1922. Public law No. 292.
 H. R. 4. Pension to widows of soldiers and sailors, and to certain Army nurses. September 1, 1922. Public law No. 294.
 S. J. Res. 156. Hotel on Fort Monroe Military Reservation. September 14, 1922. Public resolution No. 71.
 H. R. 12493. Officers of Army to be discharged and recommissioned. September 14, 1922. Public law No. 299.
 S. 3890. Defining membership of General Staff Corps of Army. September 22, 1922. Public law No. 358.
 H. R. 11173. Subsistence and travel pay for honorably discharged enlisted men. September 22, 1922. Public law No. 344.
 S. 3111. Collection of indebtedness due from soldiers restored to duty. September 22, 1922. Public law No. 336.
 H. R. 70. Credit allowed to widows of soldiers and sailors for time in military service in making homestead entries. September 21, 1922. Public law No. 319.
 H. R. 8475. Relief of enlisted men. September 22, 1922. Public law No. 340.
 S. J. Res. 142. Extending time for report of special committee on efficiency of commissioned and enlisted personnel of Army and Navy. December 22, 1921. Public resolution No. 33.

THE CONGRESSIONAL DIGEST

New Public Laws—cont'd

Executive Departments

- H. R. 9724. Treasury Department appropriation bill for 1923. February 17, 1922. Public law No. 145.
- H. R. 7077. Increase of force and salaries in Patent Office. February 18, 1922. Public law No. 147.
- H. R. 10267. Legislative appropriation bill. March 20, 1922. Public law No. 171.
- H. R. 10663. Second deficiency appropriation bill for 1922. March 20, 1922. Public law No. 172.
- H. R. 10559. Commerce and Labor appropriation bill. March 28, 1922. Public law No. 183.
- H. R. 8342. Compensation of clerks of United States courts. April 27, 1922. Public law No. 199.
- H. R. 10730. Agriculture appropriation bill. May 11, 1922. Public law No. 217.
- H. R. 11645. Appropriation for prosecution of war funds. May 23, 1922. Public law No. 221.
- H. R. 10329. Interior Department appropriation bill. May 24, 1922. Public law No. 224.
- H. R. 11065. State and Justice Departments appropriation bill. June 1, 1922. Public law No. 229.
- S. 2263. Members of Federal Reserve Board. June 3, 1922. Public law No. 230.
- H. R. 9981. Independent offices appropriation bill for 1923. June 12, 1922. Public law No. 240.
- H. R. 6300. Second deficiency appropriation bill for 1921. June 16, 1921. Public law No. 18.
- H. R. 11407. Civil service classification of employees receiving less than \$600 per annum. June 17, 1922. Public law No. 243.
- H. R. 9859. Post Office appropriation bill. June 19, 1922. Public law No. 244.
- S. 3396. Creating positions of Second Assistant Secretary of Labor and private secretary. June 30, 1922. Public law No. 260.
- H. R. 12073. Additional compensation for employees in Government service (bonus). June 29, 1922. Public law No. 257.
- H. R. 10871. War Department appropriation bill. June 30, 1922. Public law No. 259.
- H. R. 11450. Printing Supreme Court reports. July 1, 1922. Public law No. 272.
- H. R. 12090. Deficiency appropriation bill. July 1, 1922. Public law No. 263.
- H. R. 4803. Naval appropriation bill for 1922. July 12, 1921. Public law No. 35.
- H. R. 12704. First deficiency bill for 1923. September 22, 1922. Public law No. 364.
- H. R. 11212. Amending civil service retirement act. September 22, 1922. Public law No. 363.
- H. J. Res. 382. To pay employees of both Houses of Congress for September on the 23rd. September 22, 1922. Public resolution No. 76.
- H. R. 9237. First deficiency appropriation bill for 1922. December 15, 1921. Public law No. 109.
- H. J. Res. 238. Amending act extending jurisdiction of courts in cases of revivor. December 22, 1921. Public resolution No. 35.

General

- H. R. 6998. Amending section 17 of bankruptcy act of 1898. January 10, 1922. Public law No. 121.
- H. R. 2914. To add certain lands to Minidoka National Forest. January 11, 1922. Public law No. 123.
- H. R. 9021. City of Chicago, Ill., to acquire real estate of United States. January 11, 1922. Public law No. 127.
- H. R. 8401. To transfer control of customhouse wharf at Charleston, S. C., to War Department. January 11, 1922. Public law No. 126.
- S. 1099. Providing for reinstatement on canceled final entries on public lands. January 27, 1922. Public law No. 131.
- H. R. 6262. To add lands to Mount McKinley National Park, Alaska. January 30, 1922. Public law No. 133.
- H. R. 4598. To exchange public for private lands in Hawaii. January 31, 1922. Public law No. 135.
- H. R. 7600. Adjustment of boundaries of Deschutes National Forest, Oregon. February 2, 1922. Public law No. 138.
- H. R. 6119. Coinage of gold dollar commemorating centenary of birth of Gen. U. S. Grant. February 2, 1922. Public law No. 137.
- S. 2802. Amending civil service retirement act. February 14, 1922. Public law No. 142.
- S. 1831. Validity of contracts. February 17, 1922. Public law No. 144.
- H. R. 2373. Cooperative marketing of agricultural products. February 18, 1922. Public law No. 146.
- S. 621. Claims for damages through unjust rates for transportation to be filed within certain periods. February 24, 1922. Public law No. 149.
- S. J. Res. 137. Transferring relics in State Department to Smithsonian Institution. February 28, 1922. Public resolution No. 40.
- H. R. 244. Abandoned rights of way granted to railroad companies. March 8, 1922. Public law No. 163.
- H. R. 10161. Cancellation stamps for various post offices. March 13, 1922. Public law No. 170.
- S. 490. Consolidation of national forests. March 20, 1922. Public law No. 173.
- S. 2897. Seed grain and feed for use of farmers. March 20, 1922. Public law No. 177.
- H. R. 9597. Amending act to provide housing for war needs. March 21, 1922. Public law No. 179.
- H. J. Res. 227. Extending term of National Screw Thread Commission five years. March 21, 1922. Public resolution No. 43.
- S. 3265. Defining meaning of employees in classified civil service. March 27, 1922. Public law No. 182.
- H. R. 9606. Construction charges on reclamation projects. March 31, 1922. Public law No. 185.
- H. R. 9979. National Federation of Women's Clubs to hold real or personal property. April 6, 1922. Public law No. 186.
- H. R. 8832. Exchange of lands in Tahoe National Forest, Calif., with William Kent. April 11, 1922. Public law No. 191.
- H. J. Res. 7. Radio stations for use of public. April 14, 1922. Public resolution No. 48.
- H. R. 9710. Extending time for payment of purchase money under homestead entries. April 25, 1922. Public law No. 198.
- H. J. Res. 57. Application of entries under homestead laws. April 28, 1922. Public resolution No. 53.
- H. R. 5588. To repeal act establishing Lassen Volcanic National Park. April 29, 1922. Public law No. 206.
- H. R. 8690. To add lands to Hawaii National Park. May 1, 1922. Public law No. 208.
- H. R. 2158. Providing monthly payment of pensions. May 3, 1922. Public law No. 209.
- H. R. 10941. Cancellation stamps for advertising purposes. May 11, 1922. Public law No. 218.
- S. J. Res. 132. Providing for continuance of certain Government publications. May 11, 1922. Public resolution No. 57.
- H. R. 4382. Application of reclamation law to irrigation districts. May 15, 1922. Public law No. 219.
- S. 539. Property of common carriers in interstate commerce. June 7, 1922. Public law No. 233.
- S. 2775. To extend powers of War Finance Corporation for one year. June 10, 1922. Public law No. 238.
- S. 745. Defining civil causes of admiralty and maritime jurisdiction. June 10, 1922. Public law No. 239.
- S. 426. Court to appoint counsel for citizen in poverty. June 27, 1922. Public law No. 254.
- S. 3425. Continuing certain land offices. June 30, 1922. Public law No. 261.
- H. J. Res. 297. Authorizing convention for prevention of pollution of navigable waters. July 1, 1922. Public resolution No. 65.
- S. 831. Notes, drafts, etc., of certain borrowers. July 1, 1922. Public law No. 279.
- H. R. 9527. Succession of national banking associations until dissolved. July 1, 1922. Public law No. 262.
- H. R. 6320. To regulate interstate and foreign commerce in live stock and dairy products (Packers bill). August 15, 1921. Public law No. 51.
- S. 848. Issuance of interchangeable mileage tickets. August 18, 1922. Public law No. 281.
- H. R. 11054. Approval of conveyance of land by members of Five Civilized Tribes. August 24, 1922. Public law No. 290.
- H. R. 7812. Extending time for cutting timber in Coconino and Tusayan National Forests, Ariz. August 24, 1922. Public law No. 284.
- H. J. Res. 170. Approving 150th anniversary celebration of the Declaration of Independence at Philadelphia. August 29, 1922. Public resolution No. 69.
- S. 3618. Concerning writs of error. September 14, 1922. Public law No. 297.
- S. 2199. Anchorage waters in United States waters. September 15, 1922. Public law No. 301.
- H. R. 7109. Ceding jurisdiction of tract of land in Hot Springs National Park, Ark., to Federal Government. September 18, 1922. Public law No. 307.
- H. R. 8675. Land for administration building for Rocky Mountain National Park. September 18, 1922. Public law No. 308.

THE CONGRESSIONAL DIGEST

New Public Laws—cont'd

- H. R. 10248. Lease of surplus electric power in Federal irrigation projects. September 18, 1922. Public law No. 309.
- S. 3917. Defining issuance of subpoenas in United States courts. September 19, 1922. Public law No. 310.
- S. 3918. Defining where action is to be brought in civil causes. September 19, 1922. Public law No. 311.
- H. R. 9495. Protection of timber on public lands. September 20, 1922. Public law No. 315.
- H. R. 10443. Suspended entries on public lands. September 20, 1922. Public law No. 316.
- H. R. 10193. Consolidation of measures for benefit of various tribes of Indians. September 21, 1922. Public law No. 329.
- H. R. 11843. Grain future exchanges. September 21, 1922. Public law No. 331.
- H. R. 7456. Tariff act of 1922. September 21, 1922. Public law No. 318.
- H. R. 7544. Method of disciplining rural carriers. September 21, 1922. Public law No. 325.
- H. R. 10766. Construction and repair of certain public works on rivers and harbors. September 22, 1922. Public law No. 362.
- H. R. 12377. Authorizing establishment of United States Coal Commission. September 22, 1922. Public law No. 347.
- H. R. 6750. Consolidation of lands in Wenatchee National Forest, Wash. September 22, 1922. Public law No. 359.
- H. R. 8119. Relief of persons relinquishing lands in national forests. September 22, 1922. Public law No. 339.
- H. R. 12022. Naturalization and citizenship of married women. September 22, 1922. Public law No. 346.
- H. R. 12472. Providing for appointment of Federal Fuel Distributor. September 22, 1922. Public law No. 348.
- H. R. 10196. Pension laws to apply to persons not covered by war risk insurance act. September 22, 1922. Public law No. 361.
- H. R. 6864. Exchange of lands in Rainier National Forest, Washington. December 20, 1921. Public law No. 114.
- H. R. 2205. To add lands to Shoshone National Forest, Wyoming. December 20, 1921. Public law No. 113.
- S. 2780. Amending trading with the enemy act. December 21, 1921. Public law No. 115.
- H. J. Res. 233. Postponing World's Dairy Congress. December 22, 1921. Public resolution No. 34.

State and Territory

- H. R. 6557. Repairing customs buildings in Porto Rico. January 10, 1922. Public law No. 122.
- H. R. 5700. Authorizing sale of subtreasury at San Francisco, Calif. January 11, 1922. Public law No. 124.
- S. 2776. Bridge Columbia River near Dalles City, Oreg. January 21, 1922. Public law No. 130.
- S. 2133. Ceding jurisdiction to State of Texas over lands acquired from Mexico. January 27, 1922. Public law No. 132.
- H. R. 9050. Bridge Pamunkey River at or near Sweet Hall, Va. January 30, 1922. Public law No. 134.
- H. R. 7601. To amend act incorporating Prospect Hill Cemetery, District of Columbia. January 31, 1922. Public law No. 136.
- S. 2468. Disposal of lands in area surveyed as Tenderfoot Lake, Wis. February 13, 1922. Public law No. 141.
- S. 2124. To quitclaim public lands in Alabama. February 13, 1922. Public law No. 140.
- S. 2904. Bridge headwaters of Mobile Bay, Ala. February 14, 1922. Public law No. 143.
- S. J. Res. 99. Erect statue of Dante in District of Columbia. February 14, 1922. Public resolution No. 39.
- H. R. 9031. Extending time for construction of bridge over Delaware River at Trenton, N. J. February 21, 1922. Public law No. 148.
- H. R. 8818. Bridge Allegheny River, Pittsburgh, Pa. February 25, 1922. Public law No. 65.
- H. R. 10009. Bridge Tombigbee River, Moscow Landing, Ala. February 25, 1922. Public law No. 151.
- H. R. 9186. Bridge Waccamaw River, Fireway Ferry, N. C. February 25, 1922. Public law No. 150.
- S. 2736. Conveying land to cities of Marblehead and Salem, Mass. February 25, 1922. Public law No. 153.
- S. 29. Granting right to overflow lands on Fort George Wright Military Reservation to Lloyd E. Gandy. February 25, 1922. Public law No. 152.
- H. R. 9060. Leasing land to city of Leavenworth, Kans. February 25, 1922. Public law No. 156.
- S. 2810. Defining judicial districts of West Virginia. February 27, 1922. Public law No. 153.
- S. 561. Granting right to cut timber in Arizona. February 27, 1922. Public law No. 157.
- S. 2072. Exchange of title to railroad rights of way at Camp Henry Knox, Ky. March 1, 1922. Public law No. 159.
- S. 2138. To donate St. Francis Barracks to State of Florida. March 1, 1922. Public law No. 160.
- S. 2265. Regulating marine insurance in the District of Columbia. March 4, 1922. Public law No. 162.
- S. 1312. Amending charter of Potomac Insurance Co. of District of Columbia. March 8, 1922. Public law No. 167.
- H. R. 8842. Agricultural entries on coal lands in Alaska. March 8, 1922. Public law No. 165.
- H. R. 10185. Exchange of lands in Malheur National Forest, Oreg. March 8, 1922. Public law No. 166.
- S. J. Res. 108. Erect Statue of Jeanne d'Arc in District of Columbia. March 20, 1922. Public resolution No. 42.
- H. R. 8193. Granting part of Fort Robinson Military Reservation to Crawford, Nebr. March 20, 1922. Public law No. 175.
- S. 2471. Issuing patents to certain lands in Coconino County, Ariz. March 20, 1922. Public law No. 178.
- H. R. 6661. Granting land to Alabama for use of Seavry Hospital for Colored Insane. December 15, 1921. Public law No. 110.
- H. J. Res. 81. Memorial in District of Columbia to the dead of First Division, A. E. F. December 16, 1921. Public resolution No. 31.
- H. R. 8744. Bridge Red River of the North. December 21, 1921. Public law No. 116.
- H. R. 9464. Bridge Snake River near Central Ferry, Wash. December 28, 1921. Public law No. 120.
- S. 2790. Bridge Escambia River near Century, Fla. December 28, 1921. Public law No. 119.
- S. 2993. Modification of adopted project for Indiana Harbor, Ind. March 20, 1922. Public law No. 176.
- H. R. 9047. Right of way on Fort Banks Military Reservation for street purposes. March 20, 1922. Public law No. 174.
- H. R. 9235. Granting Fidalgo Island, Wash., to the State. March 23, 1922. Public law No. 180.
- H. R. 7881. Issuance of land patents in Hawaii. March 24, 1922. Public law No. 181.
- S. 3209. Bridge Mississippi River at Minneapolis. March 31, 1922. Public law No. 184.
- H. J. Res. 282. Construction of roads, trails, etc., in Alaska. April 6, 1922. Public resolution No. 45.
- H. J. Res. 257. Exchange of post-office site in New York City. April 7, 1922. Public resolution No. 47.
- H. R. 9504. Post-office site at Madison, Wis. April 7, 1922. Public law No. 189.
- S. J. Res. 190. Tablet to officers Daughters of American Revolution. April 21, 1922. Public resolution No. 49.
- H. J. Res. 309. Protection of levees along Mississippi River. April 23, 1922. Public resolution No. 50.
- S. J. Res. 165. To erect statue of Edmund Burke in District of Columbia. April 25, 1922. Public resolution No. 52.
- S. 3170. Regulating corporations doing banking business in District of Columbia. April 27, 1922. Public law No. 200.
- S. 3317. Bridge Mississippi River in Beltrami County, Minn. April 28, 1922. Public law No. 204.
- H. R. 2393. Fish-rescue station on Mississippi River. April 28, 1922. Public law No. 203.
- H. R. 5762. Park for city of Butte, Mont. April 28, 1922. Public law No. 202.
- H. R. 10740. Cancellation stamp for Gloucester, Mass., post-office. April 29, 1922. Public law No. 205.
- H. R. 9671. Terms of court in Massachusetts judicial district. May 1, 1922. Public law No. 207.
- H. J. Res. 319. Making available funds for protecting levees along Mississippi River. May 2, 1922. Public resolution No. 54.
- H. R. 10240. Bridge Savannah River near Haley Ferry, S. C. May 6, 1922. Public law No. 211.
- H. R. 10407. Bridge Savannah River at or near Savannah, Ga. May 6, 1922. Public law No. 212.
- S. 2186. Granting lands to Leo N. Levi Memorial Association at Hot Springs, Ark. May 8, 1922. Public law No. 213.
- H. R. 10007. Relief of holders of land patents in Minnesota. May 8, 1922. Public law No. 214.
- S. 2440. Extending time for homestead entries on Diminished Colville Indian Reservation. May 9, 1922. Public law No. 215.
- S. J. Res. 186. Additions to Botanic Gardens in District of Columbia. May 11, 1922. Public resolution No. 56.
- S. 3505. Manner of drawing grand juries in District of Columbia. May 19, 1922. Public law No. 220.
- S. 2919. Extending District of Columbia rent act for two years. May 22, 1922. Public law No. 222.

New Public Laws—cont'd

- S. 1162. Declaring Lake George, Miss., nonnavigable. May 24, 1922. Public law No. 223.
H. R. 9951. Charges for water for irrigation purposes on Wapato project, Yakima Indian Reservation, Wash. May 25, 1922. Public law No. 226.
H. R. 10442. Limiting indebtedness of government of Philippine Islands. May 31, 1922. Public law No. 228.
H. R. 10925. To sell property known as Pittsburgh Storage Supply Depot, Pittsburgh, Pa. June 6, 1922. Public law No. 231.
H. R. 11408. Bridge Rock River at Rockton, Ill. June 10, 1922. Public law No. 236.
H. R. 11409. Bridge Fox River at Ottawa, Ill. June 10, 1922. Public law No. 237.
H. R. 9344. Water rights for Indians on Crow Reservation, Mont. June 10, 1922. Public law No. 234.
H. J. Res. 339. Making available appropriation for protecting levees along Mississippi River. June 10, 1922. Public resolution No. 58.
S. 2014. Settlement of holding claims on unsurveyed lands in New Mexico. June 15, 1922. Public law No. 242.
H. J. Res. 339. Cots, etc., for Confederate Veterans' encampment at Richmond, Va. June 17, 1922. Public resolution No. 60.
H. R. 10330. Bridge Lake St. Croix at Prescott, Wis. June 21, 1922. Public law No. 246.
H. R. 11265. Maintenance of bridge across Pend Oreille River at Usk, Wash. June 21, 1922. Public law No. 247.
H. R. 11345. Bridge Allegheny River at Freeport, Pa. June 21, 1922. Public law No. 248.
H. J. 127. To erect statue of Abraham Lincoln on original site in District of Columbia. June 21, 1922. Public resolution No. 62.
H. R. 11646. Bridge Ohio River near Seubenville, Ohio. June 21, 1922. Public law No. 249.
H. R. 11827. Bridge Missouri River at or near Glasgow, Mo. June 21, 1922. Public law No. 250.
H. R. 8785. Pontoon bridge at Mobridge, S. Dak. June 21, 1922. Public law No. 245.
H. R. 6313. Right of way for highway in Skagit County, Wash. June 22, 1922. Public law No. 251.
S. 2682. Amending Code of Law of District of Columbia. June 26, 1922. Public law No. 253.
S. 3156. Changing term of court in northern division of southern district of Alabama. June 27, 1922. Public law No. 255.
H. R. 10101. District of Columbia appropriation bill. June 29, 1922. Public law No. 256.
H. R. 1193. Granting portion of rents, etc., from petroleum reserves to States in which located. June 29, 1922. Public law No. 258.
H. J. Res. 344. Customs Service to detail persons for duty in District of Columbia. June 30, 1922. Public resolution No. 64.
H. R. 12092. Bridge Red River at Grand Ecore, La. July 1, 1922. Public law No. 275.
H. R. 12120. Bridge Missouri River in Lafayette County, Mo. July 1, 1922. Public law No. 276.
H. R. 12121. Bridge Missouri River in Saline County, Mo. July 1, 1922. Public law No. 277.
H. R. 11634. Bridge Red River of the North between Halstad, Minn. and Hergert, N. Dak. July 1, 1922. Public law No. 274.
S. 1033. Regulating check, etc., in District of Columbia. July 1, 1922. Public law No. 278.
H. J. Res. 337. Execution of plan for Port of New York Authority. July 1, 1922. Public resolution No. 66.
H. 11298. Public building at Paris, Tex. July 1, 1922. Public law No. 270.
S. 3458. To repair or rebuild cantilever bridge over Niagara River. July 1, 1922. Public law No. 280.
H. R. 10770. Bridge south arm of Pokegama Lake, Minn. July 1, 1922. Public law No. 266.
H. R. 11128. Bridge Rio Grande between Las Vegas, Mexico, and Del Rio. July 1, 1922. Public law No. 267.
H. R. 11244. Bridge White River in Arkansas. July 1, 1922. Public law No. 269.
H. R. 11298. Public building at Paris, Tex. July 1, 1922. Public law No. 270.
H. R. 11362. Declaring Tchula Lake, Miss., nonnavigable. July 1, 1922. Public law No. 345.
H. R. 6110. Dividing State of New York in four judicial districts. July 1, 1922. Public law No. 265.
H. J. Res. 353. Loan of cots, blankets, etc., to American Legion at New Orleans. July 8, 1922. Public resolution No. 67.
H. R. 11233. Conveyance of certain land to Muscatine County, Iowa. August 22, 1922. Public law No. 282.
H. R. 10517. Confirming title to land formerly in Fort Sabine Military Reservation, La. August 24, 1922. Public law No. 288.
H. R. 5621. Disposal of certain land in Bellevue and Fort Madison, Iowa. August 24, 1922. Public law No. 65.
H. R. 9257. Adjustment of claims to lands in Mohave County, Ariz. August 24, 1922. Public law No. 286.
H. R. 6817. Granting land to Michigan for game refuge. August 24, 1922. Public law No. 283.
H. R. 9048. To reimburse Sacramento, Calif., for money expended on Sacramento weir. August 24, 1922. Public law No. 285.
H. R. 10957. To rebuild Indian school building near Tomah, Wis. August 24, 1922. Public law No. 289.
S. 813. To close a portion of Water Street, District of Columbia. September 6, 1922. Public law No. 295.
S. 2597. Postponement of discontinuance of use of alley buildings in District of Columbia as dwellings until June 1923. September 6, 1922. Public law No. 296.
S. 3659. White House police force. September 14, 1922. Public law No. 300.
H. J. Res. 23. Claims of private parties to Mariveles quarry, Philippine Islands. September 14, 1922. Public resolution No. 70.
H. R. 1103. Additional judges for United States district courts. September 14, 1922. Public law No. 298.
H. R. 11590. Amending organic act of Hawaii. September 15, 1922. Public law No. 303.
S. 2460. To promote mining in Utah. September 15, 1922. Public law No. 302.
H. R. 6258. Exempt property of Daughters of American Revolution in the District of Columbia from taxation. September 16, 1922. Public law No. 305.
S. 3086. Removal of snow and ice from sidewalks in District of Columbia. September 16, 1922. Public law No. 304.
H. R. 11901. Bridge Ohio River. September 18, 1922. Public law No. 306.
H. R. 10554. Issuance of patent to lands in Lassen County, Calif. September 20, 1922. Public law No. 317.
H. R. 8763. Validating school-land selection in Florida. September 20, 1922. Public law No. 314.
H. R. 8010. Leasing mining claims on Fort Peck Indian Reservation. September 20, 1922. Public law No. 313.
H. R. 243. Spillway and drainage ditch to Lake Andes, S. Dak. September 21, 1922. Public law No. 320.
H. R. 2874. Coast Guard station on Green Bay, Wis. September 21, 1922. Public law No. 321.
H. R. 6512. Relief of certain Apache Indians late prisoners of war at Fort Sill. September 21, 1922. Public law, No. 323.
H. R. 6861. Preferential right to certain public lands in Arkansas. September 21, 1922. Public law No. 324.
H. R. 9270. Jurisdiction of territorial courts in Porto Rico in certain cases. September 21, 1922. Public law No. 327.
H. R. 9528. Retention of detention hospital at Nome, Alaska. September 21, 1922. Public law No. 328.
H. R. 7968. Permission to remove material for road building granted to city of St. Andrews, Fla. September 21, 1922. Public law No. 326.
S. 2377. Extending and widening Ninth Street N. W., District of Columbia. September 21, 1922. Public law No. 333.
H. R. 11872. Amending penal code of Canal Zone. September 21, 1922. Public law No. 332.
S. 2621. Disposition of arms and munitions seized along Mexican border. September 22, 1922. Public law No. 334.
S. 3733. Dam Mahoning River near Warren, Ohio. September 22, 1922. Public law No. 354.
S. 3793. Bridge Grand Calumet River in Lake County, Ind. September 22, 1922. Public law No. 355.
S. 3834. Bridge Grand Calumet River in Lake County, Ind. September 22, 1922. Public law No. 356.
S. 3938. Bridge Missouri River at Lexington, Mo. September 22, 1922. Public law No. 357.
S. 2983. Development of underground waters in Nevada. September 22, 1922. Public law No. 335.
S. 3307. To transfer certain property in Springfield Mass., to city. September 22, 1922. Public law No. 337.
S. 3620. Bridge Pearl River near Tilton, Mass. September 22, 1922. Public law No. 353.
H. R. 10461. Adding lands to Siskiyou National Forest, Oreg. September 22, 1922. Public law No. 342.
H. R. 11116. Changing name of Masonic Mutual Relief Association of District of Columbia to Acacia Mutual Life Association. September 22, 1922. Public law No. 343.
H. R. 11347. To transfer Fort Hale, Conn., to State. September 22, 1922. Public law No. 345.
S. 2790. Extending time for bridging Hudson River at New York City. September 22, 1922. Public law No. 350.
H. J. Res. 216. Ratifying agreement for waterworks plants at Kansas City, Mo., and Kans. September 22, 1922. Public resolution No. 75.
H. J. Res. 215. Reinvestigation of the tri-county irrigation project, Nebraska. September 22, 1922. Public resolution No. 74.

Notes on the Constitution

A series of twelve articles setting forth the fundamental principles of the United States Government as prescribed in the Constitution

By HON. WM. TYLER PAGE

In view of the greater interest aroused in the fundamental law of the land by discussion of the respective functions and powers of the three branches of Government, the legislative, executive, and judicial, and because of the too widespread lack of understanding regarding the distribution of powers and the checks and balances provided in our dual system of government under a written Constitution, the CONGRESSIONAL DIGEST believes this simple and direct treatment of the Constitution will be welcomed at this time.

The granted powers of Congress will first be taken up as follows:

WHAT CONGRESS MAY DO UNDER THE CONSTITUTION (Parts I and 2).

WHAT CONGRESS MAY NOT DO UNDER THE CONSTITUTION.

What Congress May Do Under the Constitution. Part I

THE FIRST NINE POWERS

SECTION 8 of the original Constitution says—
Congress shall have Power—

1. *To lay and collect Taxes, Duties, Imports and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States; but all Duties, Imports and Excises shall be uniform throughout the United States.*

Through this power the government raises money to meet its expenses. Various are the kinds of taxes—on incomes, on tobacco and liquors, (called Excises), on drugs and merchandise, (stamp taxes) and on luxuries, etc. Money is also raised by Duties, called also tariff, laid on foreign goods coming here.

2. *To borrow money on the credit of the United States.*

When not enough money is available for necessary expenses then this authority is used. This is done by issuing Government bonds and certificates. Thus we raised some \$24,000,000,000 for World War expenses by Liberty and Victory Bonds. This is the Public Debt on which interest must be paid.

3. *To regulate commerce with foreign nation, and among the several States and with the Indian tribes.*

Trade between States is called Interstate Commerce; trade entirely within a State, intra-State commerce. This clause has proven elastic so as to embrace many new activities of an expanding Nation since the creation of the Interstate Commerce Commission in 1885, over which Congress now exercises power, such as Pure Food and Drug Laws, for instance.

4. *To establish a uniform Rule of Naturalization, and uniform laws on the subject of Bankruptcies throughout the United States.*

We have in the Department of Labor a Bureau of Naturalization. Ours was the first great Nation to make possible adopted citizenship, and we give equal protection and opportunities to alien-born and native citizens.

A bankrupt has recourse to a Federal Bankruptcy Law in U. S. Courts anywhere throughout the land.

5. *To coin Money, regulate the value thereof, and of foreign Coin, and fix the Standard of Weights and Measures.*

Gold and silver and copper are coined at the Mints. The Dollar is the unit. Coins less than a dollar are called

subsidiary coinage. Law fixes their content of metal and alloy; their purchasing power, or real value as a medium of exchange is determined by trade and economic conditions. There are various kinds of paper money—gold and silver certificates, National bank notes, and Federal Reserve notes, all of which represent property of intrinsic value, and the faith of the Government is pledged to their redemption at face value. Foreign coin value depends on the rate of exchange measured by the Dollar. At present the American Dollar is the universal monetary yard-stick. The measure and quantity and weight of everything we buy, dry and liquid, is determined by the standard fixed by the law of Congress.

6. *To provide for the Punishment of counterfeiting the Securities and current Coin of the United States.*

In the Treasury Department is the Secret Service, whose duty it is to detect spurious money and to bring counterfeiters to justice.

7. *To establish Post Offices and Post Roads.*

Our mail service has developed from the "pony express" to its present huge proportions. Letters and parcels are now transported by every modern method, on land and water and in the air. City and Rural Delivery are co-extensive with our vast territory.

8. *To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.*

In the Interior Department is the Bureau of Patents where letters patent and trade-mark rights are granted. The Library of Congress issues copyrights on literary productions.

9. *To constitute Tribunals inferior to the Supreme Court.*

These are United States District Courts. But Congress also has established other inferior courts, i.e., the Court of Claims, the Customs Court, and boards of arbitration and conciliation to settle differences between contending groups of citizens.

The other Powers of Congress will be noted in the next number as Part II of the discussion under this head.

The Glossary

An Explanation of Legislative Terms

By HON. WM. TYLER PAGE

Clerk of the House of Representatives of the United States Congress

A LEGISLATIVE MEASURE

of the superior class is designated "Bill," as distinguished from a Resolution. When a Bill is finally enacted, it is then called "An Act." This also is true officially of a bill that has passed but one of the two Houses of Congress; but the term "bill" usually follows a measure throughout its legislative processes to final approval by the President, when it becomes "An Act" and is so designated in the compiled statutes. A House of Representatives bill is designated thus—H. R. 1, etc. A Senate bill, S. 1, etc.

PUBLIC BILLS

relate to public matters and deal with individuals only by classes. Bills relating to the revenue, to the tariff, to appropriations, to public lands, to the courts, etc., are classed as public bills.

A PRIVATE BILL

is a bill for the relief of one or several specified persons, corporations, institutions, etc. It has been the practice in Congress to consider as private such as are "for the interest of individuals, public companies or corporations, a parish, city, county, or other locality."

A BILL IS INTRODUCED

when it is presented to the Senate or the House of Representatives. The rules of the House require that the bill merely be dropped in a basket beside the desk of the Speaker while the House is in session. The rules of the Senate require that a Senator, when introducing a bill, arise and verbally announce his intention and the subject of the bill, after which a page boy takes the bill to the desk of the Vice President, who is presiding officer of the Senate.

A BILL IS REFERRED TO COMMITTEE

having jurisdiction of the subject matter. Reference is made in the case of public bills by the speaker and in the case of private bills by the clerk.

A BILL IS AMENDED

when it is changed in any particular, either in committee or while the bill is under discussion on the floor of either House. Committees may recommend amendments but the House must agree to them before they become a part of the bill.

A BILL IS PASSED

when either House finally votes to pass it. When passed by one House it is sent to the other.

A BILL IS ENACTED INTO LAW

when it shall have been approved by the President or allowed to become a law without his approval, not having been returned with his veto to the House in which it originated within ten days.

APPROPRIATION BILLS

known as general appropriation bills, twelve in number, appropriate revenue for the support of the Government. These bills have certain privileged status to insure prompt consideration.

A RESOLUTION

serves the purpose of one House or the other in matters of interest to the House in which it is employed. A House Resolution is designated thus—H. Res. 1, etc. A Senate Resolution is designated S. Res. 1, etc.

A JOINT RESOLUTION

is a development of modern practice which does not differ in any respect from a bill so far as the processes of Congress in its consideration are concerned. It must pass through the same travail to which a bill is subjected, except in the case of a joint resolution proposing to amend the Constitution, which does not require the approval of the President.

COMMITTEES OF THE SENATE AND HOUSE

are necessary in order to expedite the work of Congress. There are sixty-two committees of the House and thirty-four in the Senate. The chairman and a majority of the members of a committee are always members of the party in control of the House of which the committee is a part.

COMMITTEE HEARINGS

are opportunities offered proponents and opponents of a bill to furnish the committee with information and views concerning the necessity or effect of the bill it is considering. Sometimes, as is frequently the case with bills affecting the executive departments, committees hold secret hearings, but in most instances the hearings are public. Official stenographers make reports of these hearings which are afterwards printed for use of the committee.

COMMITTEE REPORTS

are recommendations made by committees to the House or Senate concerning the bill which has been referred to them. The rules of the House require that committee reports be made in writing. In the Senate Committees may report either verbally or in writing.

FLOOR OF THE HOUSE (OR SENATE)

means within the bar of that body where the actual business of consideration and voting takes place.

PARTY MEASURE

is one for which the Members of a political party are committed as distinguished from a measure supported by individuals of each party.

THE LEGISLATIVE CALENDAR

is the printed list of bills in the order of their report from committee.

THE STEERING COMMITTEE

is made up of leading members of the majority party, selected by the party Committee on Committees and ratified or confirmed in party conference. This Committee formulates the program of business and the order in which it shall be considered.

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